NHTSA OVERSIGHT

HEARING

BEFORE THE

SUBCOMMITTEE ON SURFACE TRANSPORTATION

OF THE

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

SECOND SESSION

ON

OVERSIGHT OF THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

MARCH 31, 1982

Serial No. 97-111

Printed for the use of the
Committee on Commerce, Science, and Transportation

U.S. GOVERNMENT PRINTING OFFICE

93-262 O WASHINGTON : 1982

S261-48

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OVERSIGHT OF THE NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

WEDNESDAY, MARCH 31, 1982

U.S. SENATE,
COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION,
SUBCOMMITTEE ON SURFACE TRANSPORTATION,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:02 a.m., the Hon. John C. Danforth (chairman of the subcommittee) presiding.

Staff members assigned to this hearing: Cynthia Douglas, Staff Counsel; Lucy Lauterback, Professional Staff Member; and Michael Mullen, Minority Staff Counsel.

OPENING STATEMENT BY SENATOR DANFORTH

Senator DANFORTH. The reason for this morning's hearing is to evaluate the Federal Government's efforts to save lives on the Nation's highways and to save money for the American consumer.

The National Highway Traffic Safety Administration is charged with the responsibility to carry out Congress intent in passing three landmark pieces of legislation—the National Traffic and Motor Vehicle Safety Act of 1966, the Highway Safety Act of 1966, and the Motor Vehicle Information and Cost Saving Act of 1972.

Congress did not equivocate when it described the purposes of this legislation. Take, for example, the very first section of the Motor Vehicle Safety Act, which says:

> Congress hereby declares that the purpose of this chapter is to reduce traffic accidents and deaths and injuries to persons resulting from traffic accidents.

The Motor Vehicle Information and Cost Saving Act places a number of obligations on the Department of Transportation. The executive branch was directed to devise specific ways in which existing information can be communicated to consumers so as to be of benefit in their passenger motor vehicle purchasing decisions. It was also told to compile the information and furnish it to the public in a simple and readily understandable form in order to facilitate a comparison among the various makes and models of passenger motor vehicles.

From its inception, NHTSA was an aggressive force for safety and consumer protection. It took the lead in setting basic ground rules for auto safety designs and ferretting out dangerous defects in automobiles, promoting the advancement of safety technology, and in helping American consumers understand the tradeoff between increased fuel economy and safety.

In barely a year, this "can-do" spirit has been replaced with an "un-do" spirit. The list of existing or proposed safety regulations which have been undone in the past year is staggering. A review of the "accomplishments"—NHTSA's actions can be seen as accomplishments—shows that:

The centerpiece of NHTSA's work for the last 15 years, the passive restraint rule, was killed. No one seriously denies that this decision, which overruled the actions of previous Republican and Democratic administrations alike, will result in the deaths of over 9,000 Americans in a year and the disfigurement of countless others.

A proposed rule requiring that cars be designed without major blind spots was scrapped. Simple warning devices like low tire pressure warnings and improved brake lights were dumped. The regulation to prevent manufacturers from installing speedometers showing speeds over 85 miles per hour and to prevent tampering with odometers was dropped just last week.

The Car Book, which made it easy to compare the safety of different makes of cars has been abolished.

This is only a partial list of what has happened in the first year.

I am at a loss to think of a single thing that NHTSA has done to save lives on the highway or to make it easier for people to choose safer cars.

Last year NHTSA spent $81 million of the taxpayers' money and what did the taxpayers get for $81 million? We got a do-it-yourself safety program where we are told to go out and make purchasing decisions without any help from Government in gathering the information that we need to make informed choices. That is not what Congress had in mind when it passed the laws NHTSA is supposed to administer.

Next year, NHTSA plans to lay off over 100 of its employees, but it still plans to spend another $81,600,000 of the taxpayers' money. Of that amount, $1.5 million is for rulemaking, $6 million is for enforcement, $32 million is for research and analysis, and $36 million is for salaries and expenses.

I do not think that it is in the best interests of the American people to spend $1.5 million unmaking rules, $6 million not enforcing rules, and $32 million to do research and analysis on how not to make cars safer, or $36 million for salaries just to make the highways less safe.

Congress recognized in 1966 that American society generally and the Federal Government in particular bear an enormous economic burden because of automobile accidents. The Administrator of the National Highway Traffic Safety Administration has told me that the Federal Government bears over $6 billion each year in automobile accident costs. That is over and above what we as consumers pay for auto, health, and life insurance. That is what we pay through social security disability payments, lost tax revenues, and so forth.

The biggest tragedy came last October when the automatic crash protection rule requiring automatic seatbelts or airbags was wiped off the books with the stroke of a pen. Although the Administrator of NHTSA has said he believes that airbags would save thousands

of lives every year, he refuses to endorse legislation which would make them available to American consumers at a zero-cost option.

Although he promised a full court press to get the manufacturers to offer the airbags voluntarily, half a year has passed, the Administrator has traveled at the taxpayers' expense to Europe and Japan and still airbags are available only to Western European car buyers. The Administrator also plans to spend another $8 million for a media blitz to get people to wear their seatbelts.

One major flaw has permeated everything the agency has done in the past year. We are getting government by supposition. The automatic crash protection rule was dumped on the supposition that automatic belts and airbags would not be used with no empirical evidence in the record before the Administrator supporting that supposition.

To the contrary, the record contained overwhelming evidence that the rule would have saved thousands of lives and would have lifted a heavy economic burden off the shoulders of the taxpayer. The state of the record cannot have escaped the attention of a three-judge panel of the U.S. Court of Appeals here in Washington which has been asked to overturn the decision to kill the rule.

Now it is being supposed that we can save lives by purchasing television time to extoll the virtues of seatbelt usage. I asked for NHTSA's empirical evidence that this campaign would succeed. Since NHTSA's evidence was received at 5 p.m. yesterday, I have not yet had an opportunity to see why the agency thinks the campaign would work.

However, I am submitting for the record a list of studies which have been done over the last 15 years, each of which concluded that seatbelt campaigns simply will not work.

[The list follows:]

PROMOTING BELT USE: LESSONS FROM THE PAST

In view of indications that federal safety officials are considering a multimillion dollar promotional campaign in an effort to increase safety belt use, Status Report is providing the following chronology of past educational efforts and their results:

The latest government observations of manual seat belt use indicate that 89 percent of all drivers are unrestrained. This represents a decline in belt use over the past decade.

Studies show that manual seat belt systems provide crash protection vastly superior to no restraints at all—if they are used. In recent years, a variety of media and related educational campaigns have been carried out to try to increase the number of people who voluntarily use their seat belts. These campaigns are reviewed below:

In 1968, the National Safety Council (NSC) use the equivalent of $51.5 million in media time and space for public service announcements to encourage seat belt use. Similar NSC campaigns were conducted in 1972 and 1973. Result: interviews indicated no change in claimed seat belt usage.

In Great Britain, a three-year campaign was launched in 1968 to promote road safety in general and the use of seat belts in particular. This campaign, which involved controlled experiments in the use of media advertising, was continuously monitored by observations of belt use. A small increase in usage was reported during the campaign, but it was only temporary. After the campaign, belt use dropped to about the same level as before.

A 1969 campaign in Toronto used television, newspapers, posters, and group sessions in schools and businesses to try to influence seat belt usage. However, observations indicated that the use of belts in vehicles involved in collisions did not change significantly from the pre-campaign trend.

In 1971–1974, informational campaigns to increase seat belt wearing were carried out in Sweden. During this period, wearing rates for drivers and front seat passengers on weekdays in rural areas reportedly increased from about 20 percent to about

30 percent. The study was based on observations of seat belt use, and researchers said it "seemed likely" that the increase was attributable to the promotional campaigns.

In 1971, a number of radio and television seat belt messages from among those produced by the National Safety Council, the American Safety Belt Council, and the Department of Transportation (DOT) were evaluated by expert and lay panels. There was wide disagreement about which ones the panel members thought would be effective in encouraging people to use their belts. The experts emphasized entertainment value and avoidance of the "scare approach," while the lay panel rated highly those messages with "scare content." Subsequently, materials selected according to the panels' ratings were shown in three communities. Observations indicated that post-campaign seat belt use was about the same as pre-campaign use in all three communities.

During a nine-month period in 1971–1972, a study of the effects of televised seat belt commercials was carried out by the Insurance Institute for Highway Safety. In the study, a package of commercials was shown intensively during prime and other selected times on one cable of a dual-cable television system designed for marketing studies in a medium-Atlantic city. While one cable of 6,400 households received the messages, another cable of similar size, serving households only a few doors away from the message recipients, did not. If this campaign had been sponsored on a national basis, it would have cost about $7 million in 1972 dollars.

Before and during the campaign, measurements were taken of observed belt use in the city. License plate numbers of the observed automobiles were also recorded. Matching license information with addresses, researchers determined whether observed drivers lived in households with cables carrying the seat belt messages. From this information, researchers concluded that the campaign had no effect whatsoever on seat belt use. Before, during, and at the close of the campaign, belt use levels were virtually identical for those with the cable carrying the commercials and those with the other cable—as well as for others in the city not receiving either cable. In all cases, belt use did not increase and was less than 20 percent throughout.

In France, the government tried to increase voluntary use of seat belts with a six-month promotional campaign in 1973. A study near the end of the campaign indicated a maximum usage rate not significantly different from the pre-campaign level. This inability to raise usage to an acceptable level was one of the arguments used to pass belt use legislation later in 1973.

Ontario also attempted to promote voluntary belt usage for several years before enacting a mandatory use law. However, the promotional campaign, which began in June 1974, increased usage only two percent after nine months. (It was later believed that this campaign facilitated acceptance of the mandatory belt use legislation introduced the following years.)

Other evaluations of seat belt promotional campaigns in Canada have been conducted, but there has been limited evidence that these campaigns had any tangible benefits in terms of producing sustained increases in seat belt usage rates.

The DOT spent $750,000 during 1972–1978 to develop, print, and distribute 10 pamphlets on the importance of belt use, which were made available to elementary schools, driver education teachers, college and university administrators of driver education preparation programs, audiovisual centers, insurance companies, and others. In addition, DOT spent $82,500 on combined safety belt use/drunk driving television spot commercials, and undisclosed amounts on promotion of seat belt use in the department's films, slide shows, and public service radio commercials; these received an untold amount of free media exposure. The result was no discerned effect on belft usage.

In 1977, Motorists Information, Inc., an organization formed by the four domestic automobile manufacturing companies specifically to promote belt use, undertook a $1.75 million media blitz in Detroit and surrounding towns to increase belt use. The campaign involved both the electronic media and billboard ads. Touted by Motorists Information and the manufacturers as having a high chance of success, the campaign's results were measured on October 3, midway through the 10-week campaign.

The measurements, taken by the Insurance Institute for Highway Safety, were of actually observed seat belt use at 10 representatives Detroit sites and along many miles of the city's highways. Observations were made before, during, and after the campaign. The Institute found that at these sites, only five percent of drivers were wearing lap belts, and eight percent were wearing lap/shoulder belts. Only six percent of passengers were wearing shoulder belts. Because of the observational technique, lap belt use for passengers not wearing shoulder belts, as in older cars with separate lap and shoulder belts, could not be observed.

These usage rates were "even lower than safety belt use levels observed by us in Detroit at the same sites in the spring of 1976" the Institute reported.

Subsequently, the Department of Transportation also measured the effect of Motorists' seat belt use campaign. Based on more than 30,000 observations of belt use in three Michigan cities, the department's study concluded that there was "no response" to the advertising blitz. In fact, in one of the cities belt use declined by one percent.

An earlier Motorists Information campaign in Grand Rapids, Michigan, was claimed to have resulted in an increase in belt use from 29 to 41 percent. However, it turned out that the claims was based on telephone interviewing of motorists—a technique well known to researchers as unreliable in assessing belt use—rather than on actually observed belt use. Subsequently, the Insurance Institute for Highway Safety, on the basis of extensive observations in Grand Rapids, reported that belt use levels at the conclusion of this $225,000 campaign were so low that only 13 percent of drivers were wearing any belts at all.

In March 1980, the National Academy of Sciences presented to DOT a report of the Academy's investigation of methods to encourage the use of seat belt by passengers and drivers of motor vehicles. The Academy noted that "past attempts to induce people to use their safety belts have not been particularly successful . . . . Some of the measures that have failed—the interlock and the media campaigns, for example—might have been successful elements of a larger effort." The Academy's principal conclusion about all efforts to increase seat belt use was that "no single program is likely to work."

In part because of these worldwide failures to increase voluntary seat belt use through promotional campaigns, many countries have enacted mandatory belt use laws. In Australia, for example, a government effort was launched in the late 1960's to encourage seat belt use. High usage rates were never achieved in that country, even with relatively intense promotion of belts. Only after use laws were passed and enforced were substantial increases in use experienced.

In 1977, DOT reviewed these efforts to increase seat belt usage through education and promotion, and concluded that such campaigns "in the United States or any foreign nation have not been successful in increasing voluntary seat belt usage to an effectively high level."

Senator DANFORTH. The most recent study was done for NHTSA in 1980. In the absence of any evidence to the contrary, I cannot support the expenditure of $8 million for that purpose. Ultimately it would be far cheaper to make cars safer than to try to make people use them more safely?

The question on my mind is whether there should be a hearing on the sunsetting of the National Highway Traffic Safety Administration.

Senator Cannon, do you have a statement?

OPENING STATEMENT BY SENATOR CANNON

Senator CANNON. Mr. Chairman, I would like to thank you for scheduling this hearing today on the National Highway Traffic Safety Administration. I commend you for the time and attention you have devoted to this agency and to highway safety in general.

On Monday, the committee reported out a drunk-driving bill that you introduced. I am particularly pleased that the bill included money to update the National Driver Register. With full participation by the States, the register will play a valuable role in keeping problem drivers off our highways, thereby reducing traffic deaths.

I look forward to hearing the testimony today. Many of the issues which will be discussed are technical in nature—even so, this committee should have the benefit of differing views on the costs and the benefits of decisions made by regulatory bodies acting under our supervision.

Senator DANFORTH. The first witness is Mr. Raymond Peck, Jr., Administrator of NHTSA. Mr. Peck.

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STATEMENT OF HON. RAYMOND A. PECK, ADMINISTRATOR, NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Mr. PECK. Aside from that, Mr. Chairman, are we doing OK?

Senator DANFORTH. Pardon?

Mr. PECK. Aside from that, are we doing OK?

Senator DANFORTH. You tell me.

Mr. PECK. I particularly appreciate the opportunity to follow such a series of provocative questions with not only a statement but a discussion of the facts with respect to the agency and how we have conducted the operations of the agency through this prior year.

I would like to begin with a statement of personal philosophy. In 1966 the Federal Government was given authority to embark on a historic public safety effort, the humanizing of automotive technology.

The congressional hearings of 1965 and 1966 established the facts and judgments for that legislation, namely: One, that it was technically possible to build much safer vehicles; two, that it was possible to do so in many areas with little or no additional cost, and where this was not the case, safety and economic benefits to society and motorists were greater than the added vehicle costs; and, three, that the law had a legitimate role to establish through mandatory standards the public interest in safer vehicle design and construction.

So meritorious and accurate were these judgments and in the face of determined opposition by the auto industry, significant successes have resulted in the halting and reversal of the large casualty toll on the highway. In fact, the highway casualty epidemic is diminishing, making this national problem almost uniquely one that has responded to public policy actions in the past decade.

Those are the introductory paragraphs to the paper, "Washington Under the Influence," by Ralph Nader in 1976, and I endorse every word of them.

With respect to what the agency has done in the past year, I think the opening statement seriously and grievously misstates what our goals have been and, of far greater importance, what the factual circumstances of what we have done are.

I know of the Chair's strong concern on these issues and if I did not share the concern of this committee, as I believe I said in this very room, as a matter of fact, 1 year ago tomorrow, I would not have accepted this position. That concern, as I understand it, is as expressed by Mr. Nader in 1976.

The number of fatalities per 100 million vehicle-miles traveled declined in 1981. The risk of injury is continuing to decrease. But overall, over the past 5-year period, since 1975 and 1976, there have indeed been incremental increases.

What this tells us that we did not know in 1976 when Mr. Nader wrote those words, when indeed 1 year ago tomorrow I appeared before you for confirmation, is that there are factual and real world limitations not only to what can be done under the laws of physics but to what has been done under the laws and under the regulations of the agency.

Specifically, for the first time in the history of the agency, after 15 years this administration was able to pause in flight to say to ourselves, to the public, to the taxpayers who pay for the doubled budget levels of 1980: Where are we? Where are we going? And what is the next level of increment of gain? That is what we did.

It is reflected in a number of specific areas. It is reflected in a number of specific actions. Overall, the most important actions, I believe, are the management actions that we have taken to insure that no administrator subsequent to me will be faced with the possibility that a rule adopted in good faith was undertaken on profoundly mistaken economic or technical judgments, or that a rule adopted by the agency and allowed to stand in the face of court challenge would thereafter be characterized as a reversal of an agency position.

It is my principal concern that we do things right, not necessarily that we do things fast. I have, for example, a 2-month-old letter which I have not been able to respond to from Mr. Nader, but it is my principal concern that we be right, that we be found to be right.

Without, of course, anticipating questions, I would like to address specifically what we have done in the management area and then a couple of the issues you have raised.

In the management area I discovered that there was no systematic analysis of either the process by which we allocate resources for research and development or the process by which we allocate resources for rulemaking purposes. We have adopted such a process. I believe we have submitted a copy of the published document for the record.

I discovered with respect to our petition-granting process within the Office of Chief Counsel, primarily, there were no ordered priorities, there was no methodology. That area represents, as far as I am concerned, a different issue than just about everything else the agency does, because when someone petitions for a rule there is an identified need in someone's mind out there for either regulatory reform or, more commonly, the adoption of a rule.

The agency had no systematic methodology for addressing agency attention to such issues. We have corrected that. We have adopted this process.

We have looked for the first time in several years at the real question which underlies many of the more controversial issues which the agency faces, and that is the cost of Government regulation. The cost of Government regulation is higher than we had expected. It comes now to about $550 per car. That is $350 for hardware costs and $200 for fuel costs for added weight. That does not take into account the design expenses of the manufacturer in complying. It is not an insignificant amount of money.

We did that so we would have an answer principally to the manufacturers when those numbers were exaggerated. Our answer is much lower than I frequently have had cited to me by manufacturers, but it is, nonetheless, higher than we expected to find.

Specifically, on the decision with respect to FMVSS 208, when I rescinded the passive restraint standard it was precisely because it was not going to work as it was intended. As I said at the time, had I had any assurance that we were going to in fact have, under that

regulation, truly automatic occupant protection, I would have had a much different decision before me. We have supplied for the record our correspondence with the auto manufacturers on the technology issues relating to airbags.

I am confident at this point—and I have received no negative implications from any manufacturer—that we will have airbags in cars. We will have airbags in all probability earlier than we would have had under the 208 standard. We have in fact been pressing on that technology issue.

We have funded specific areas on side impact protection. We have enhanced funding in specific areas with respect to the experimental safety vehicle program. We have enhanced our obligation and our ability to have material disseminated out to the public.

It is not an accurate characterization of the fields of direct view standard to describe it as something designed to prevent major holes in vision. The fields of direct view standard was rescinded because based on our review of actual design plans it was not necessary and because the tolerances that were imposed by it, the tolerances down to one-sixteenth of 1 inch, were beyond the levels that manufacturers could reasonably meet in actual assembly line processes.

Speedometers and odometers was a well-intentioned standard aimed at the wrong end of the problem. The cost of motor vehicle fraud rises, in all probability, into the billions of dollars. But the minor technical changes, expensive but ineffective, that would have been required for compliance with that standard would not have addressed the real problem, which occurs when an entire fleet of well-maintained cars changes hands twice in a few days, with 90,000 miles gone from the speedometer.

I expect we will later discuss, in questions, issues such as "The Car Book," the legislation with respect to the airbags, and, of course, the seatbelt campaign.

I would like at this time to conclude my summary of the prepared statement by reaffirming what I said in this room a year ago. We are committed absolutely to the saving of lives on the highway. We are committed to exploring all alternatives, not merely those which have been tried in the past.

We are committed to doing things right and the very extensive research we have done which was supplied to your staff in advance of the hearing, establishes to our satisfaction and, indeed, by empirical evidence that, unlike efforts of the past, we do know how to do things right. That is our goal.

I will defend the budget and the mission of the agency to anyone at any time. We would be glad to accept your questions.

If I may, I would like to introduce my associates here before proceeding. On my left is the Deputy Administrator, Diane Steed. On Miss Steed's left is our Chief Counsel, Mr. Frank Berndt. On my right is our Associate Administrator for Research and Development, Mr. Michael Finkelstein, who was formerly our Associate Administrator for Rulemaking. On his right is our Associate Administrator for Plans and Programs. Seated behind me is Dana Scott, our Associate Administrator for Administration, and Lynn Bradford, our Associate Administrator for Enforcement. I beg your

pardon, our current Associate Administrator for Rulemaking, Mrs. Courtney Price, is in the room as well.

Senator DANFORTH. Mr. Peck, you state in your testimony that the number of fatalities per 100 million vehicle-miles of travel declined in 1981. It is my understanding, however, that NHTSA's projections are that because of the trend toward smaller cars the number of fatalities will significantly increase over the next decade from about 50,000 to about 70,000 a year.

Is that still the projection of NHTSA?

Mr. PECK. That was never the projection of NHTSA as an objective fact. We had conducted a number of studies over the years attempting to forecast highway safety results. In October we published a document entitled "Safety Trends and Forecasts" but that is only a base case estimate, assuming no other changes, no further changes in the law and the regulations or in the patterns of behavior.

For example, it assumes no increase in seatbelt usage. It assigns to the small car category, the downsizing category, an increase of 8,000. Seatbelt usage in those cars is turning out to be higher than in any other class of vehicles, so already that number may be too pessimistic.

But the point is, that was a base-case estimate. It was not our estimate of what will happen because it assumes all pessimistic outcomes.

Senator DANFORTH. Well, what is your testimony? Do you believe that there is or will be increased fatalities by a significant number over the next decade, or don't you?

Mr. PECK. I think we will hold the rate of fatalities and perhaps even cause that to continue to decline. Actual fatalities are a function of exposure—how much people travel. The more people travel and the more people travel on unsafe roads, the more people who travel in more vulnerable vehicles, the more fatalities can be expected.

There is no doubt that as more Americans take to the road every year fatalities are going to increase in the absolute sense. The mission of NHTSA is to address the margins, to cause the rate of fatalities to decline and where we can, to cause the absolute numbers to decline. They went down by 3.4 percent last year.

Senator DANFORTH. Well, are you concerned about the fact that we are driving in smaller cars and will be driving smaller cars? And are you concerned that there is a substantial risk that the number of fatalities will increase?

Mr. PECK. Yes, and we have committed very substantially increased resources to the small car research and development program.

Senator DANFORTH. You do not think that the trend line is just fine and things are going to come down on their own, do you?

Mr. PECK. No; I do not. Small cars with appropriate use of equipment like safety belts, can be and are designed to be as safe as large cars. What will happen over time is the laws of physics take over, and when I say as safe as large cars, I mean proportionately as safe. It is a function of weight. We are not downsizing bridge abutments. We are not downsizing trees. We are not downsizing trucks and buses.

Wherever there is a material differential in weight there is going to be a disadvantage to the smaller vehicle in an accident. Small cars inherently are capable of offering less protection because less protection can be designed into them.

Senator DANFORTH. Tell me what NHTSA is doing to meet this problem.

Mr. PECK. I will have Mr. Finkelstein discuss specifically the ISV program and the research efforts that we are focusing on just the small car program.

Mr. FINKELSTEIN. Principally, what we are trying to do is see if we can build enhanced crash protection into small cars. Years back, in the mid-1970's, the agency began a research safety vehicle program that had grown out of earlier work with the industry in experimental safety vehicle programs.

That program proved that in relatively small vehicles one could, using relatively advanced technology, build extremely high levels of crash protection into vehicles. What we are now doing is focusing much more on specific components of cars. We have research safety vehicles available that can provide extremely good crash protection, but do not get built. It is very hard to convince the industry to put that into cars.

We are now working at the component level. We are working at levels that will result in technology being translated into production much nearer in the future. We are trying to see what you can do, for example, to the side of cars, small cars in particular, to put in increased structure into the car, improve padding, and reduce injuries substantially.

We are trying to see what you can do to lessen cars' aggressivity so that when you have cars hitting each other they do less damage. We are reviewing the whole question of the structure of cars and how they perform in crashes.

Most importantly, we are working in a timeframe that should see things happening within our lifetime and not far out into the future.

Senator DANFORTH. Well, now, do you view your role, Mr. Peck, as being one of removing safety regulations, reducing the number of safety regulations, and substituting therefor studies, or do you feel that this is a period of transition that you are now undertaking, a period of study which will lead to specific safety regulations which will be promulgated in the future?

Mr. PECK. I think it is clearly an era of transition toward a better approach. Categorically, no. I do not approach the mission of NHTSA or believe the mission of NHTSA to be to reduce regulation. I have never myself used or allowed anybody else speaking for NHTSA to use the word "deregulation."

Our goal is regulatory reform, that is, to accomplish the same goals in the cheapest possible way. But the important element is, the same goals are involved.

If I might pick up on something Mr. Finkelstein just said, that program represents about 500,000 dollars' worth of research, just the one contract he was talking about with this phase only of the ISV program.

By contrast, we found three contracts in our first initial run-through on the agency's contracts, which were identical in wording

except for one phrase. There was a $249,557 contract addressed to the need to study and report upon the effect of centralized decisionmaking in State inspection, maintenance, and repair programs.

That was followed immediately in our computer printout by another contract, to the same contractor, in the same amount—$249,557, the purpose of which was to study and report upon the effects of decentralized decisionmaking in State inspection, maintenance, and repair programs.

Ten contracts further down the printout showed a $90,000 contract, same contractor, to evaluate those two prior contracts.

The $500,000 Mr. Finkelstein is talking about I will spend today and tomorrow and fight to the last dollar's worth in my budget. That $500,000 I have just described for those other contracts I think should not have been issued and should not be spent.

Senator CANNON. I have no questions right now.

Senator DANFORTH. All right. Let me say this, Mr. Peck. I think administrative streamlining is just fine. I think it is wonderful to try to improve the management of any organization, including NHTSA.

But I think that the underlying purpose of your agency is not simply to have good management of whatever you are doing. You can be moving in the wrong direction in a very well managed way and perhaps we are worse off than if you move in the wrong direction in a very inefficient way. The mission of NHTSA must be to try to save as many lives as we can save.

I assume that we are going to become more vulnerable as we drive smaller cars and that we are going to be driving smaller cars. The fleet is getting smaller and smaller. Therefore, we do have a responsibility to take positive steps in order to accomplish the objective of safety. So I do not think that it is enough to just come in and say well, we are much more efficient in deciding what studies we want and what studies we do not want.

It seems to me that the question is, well, after you have studied something for a decade or so—and passive restraints were studied for a decade or so, and they have been used—then let us get on with it and let us decide what steps are going to be taken in order to make it safer on the highway.

My concern for your agency is that it is doing nothing. I hope you are right. I hope this is a transition period and that something good will come of all of this. All I see of your agency is that systematically it is terminating one rule after the other and that it is replacing the former approach with nothing and I would hope that the aim of your stewardship and your administration would not simply be to preside over the demise of Federal commitment to highway safety.

Mr. PECK. I can assure you that is not the case and I agree entirely with everything you have said.

Senator CANNON. It is rather interesting to say that you agree with everything the Senator said. A good bit of that was very critical of your organization. Do you agree that you have been deficient in some of your actions?

Mr. PECK. In part, yes. Yes; I did, and I think in large part, Senator, these issues and questions arise because what we are really faced with is a mass of data and underlying evidence to support a

specific body of rulemaking, some of which is very, very good, but some of which is poor or nonexistent.

I reread periodically, when I hear the question of the passive restraint standard, I go back and reread the facts. I reread our fact-sheet and I reread my press conference. I reread my decision. Because from some of the discussions I have seen and heard and some of the questions I have had addressed to me, I would not have believed that I had done what I did.

If that regulation had been going to produce—I will take a very specific example—airbags, in the quantities that they were predicted to be produced or anything like those quantities, an entirely different question would have been presented. But this was not a technology-forcing regulation. This was just going to produce more expensive seatbelts.

What I had to face was 3, 4, or 5 years' worth of as much as $1 billion a year investment on a technology which every one of my experts in the agency said would not work, which investments would, at the same time, have deferred still further development of the technology which I am convinced would work, which is airbags.

That was the issue presented to me. It has been unfairly characterized in large part because of my response to a question at a press conference that I overruled all of my staff. That is flatly not true.

Every one of my staff said effectively the same thing. Passive belts do not work. They are not going to be the answer. They are not going to save that many lives. They will save some, but if the standard is not here we will never have airbags.

Now that is a terrible gamble because it does not merely involve great economic jeopardy; of far greater importance, it involves the possibility that the technology for the air cushion restraint will not be developed in the next 4 or 5 years, as it was not developed following the abrupt reversal in 1977 of my agency's views in the adoption of the 208 standard to begin with.

I do not expect everybody to understand that kind of dilemma that I faced as a decisionmaker and I certainly do not expect that in the political context in which my agency has always existed everyone will believe everything that I say we are doing.

But I do think with respect to each of the issues which have been major sources of concern and have been addressed here and in the other body, I do believe that we have done the profoundly safer thing in each instance, and I believe that our actions will be proven correct over time by the practical effects of our decisions.

Senator DANFORTH. Thank you, Mr. Peck. Thank you very much.

[The statement follows:]

STATEMENT OF HON. RAYMOND A. PECK, JR., ADMINISTRATOR, NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

Mr. Chairman and Members of the Subcommittee, I am pleased to be here today to discuss authorizations or the National Highway Traffic Safety Administration, and to review the agency's responsibilities and activities under the Acts it administers. With me at the witness table is Diane Steed, Deputy Administrator of NHTSA.

HIGHWAY SAFETY DATA

For the first time since 1974, fatalities resulting from motor vehicle accidents showed a significant decline in 1981. NHTSA's National Center for Statistics and

Analysis (NCSA) recorded 51,091 fatalities in 1980 and estimates a total of 49,125 for 1981, nearly a four percent reduction in traffic fatalities.

The number of fatalities per 100 million vehicle miles of travel also declined in 1981, indicating that the risk of injury is continuing to decrease. However, the number of fatalities per 100,000 population has remained relatively constant over the preceding 20 years. Considered together, these fatality trends suggest that while motorists today can drive longer distance without being killed or injured, the probability of being fatally injured in an automobile accident is just as high today as it was 20 years ago.

Even though the number of fatalities decreased in 1981, the long-term trend has been one of increasing fatalities, up by nearly 30 percent between 1961 and 1981. The latest estimates are that this trend could continue upward, perhaps at an increasing rate through the 1980's, if no additional private and public safety programs are initiated.

While it is encouraging that fatalities decreased in 1981, we are unable at this point to specify the reasons for this decline. One of our research priorities will be to better analyze the accident information we gather. We intend to use the data products of our efforts in the management priority setting efforts I will describe shortly. Such data will in large part influence the research and regulatory priorities of the agency—something which has never before been undertaken by NHTSA. To pick one example, analysis of light truck data reveals the following:

Light truck fatalities have increased by 50 percent since 1975, an increase which can only partially be explained by the increased number of light truck vehicles and travel.

Sixty percent of light truck occupant fatalities occur on 55 mph posted roadways compared to 49 percent for passenger cars.

Rollover and ejection is a much more significant hazard for light truck occupants, being a factor in 51 percent of light truck accidents versus 35 percent for passenger cars.

A driver profile shows that young drivers (under age 25)—as with all vehicle types—are greatly overrepresented in light truck fatal accidents. Of growing concern, however, is that in the past 2 years, light truck-pedestrian deaths have increased 18 percent, with such accidents involving young drivers increasing by 27 percent.

This year, for the first time, we are able to cite accident data from a scientifically selected sample of our nation's reported accidents. I refer to the National Accident Sampling System (NASS), which although not fully implemented, is able to provide objective measures of traffic accidents in selected instances. For example, NASS data tells us that:

Approximately 6.7 million traffic accidents are reported annually to police, of which 2.4 million are injury accidents and 44,000 are fatal accidents.

Approximately 10 percent of the fatal accidents involve multiple fatalities.

Approximately 3.5 million persons were injured, including 49,100 fatally injured persons, 420,000 hospitalized survivors and 1.2 million persons treated and released at emergency rooms.

Only about 12 percent of the drivers and passengers involved in an accident used the available seat belts and only 9 percent of children under the age of 5 years were restrained by seat belts or child restraints.

Alcohol involvement was reported in 44 percent of the fatal and 34 percent of the serious injury accidents.

Over 1 in 50 of the motorcyclists and 1 in 20 of the pedestrians involved in reported accidents are fatally injured.

Accidents which occur off the roadway, though only one-fourth as frequent as those on the roadway, result in serious or fatal injury 10 times more often than those on the roadway.

These are but a small selection of the observations we note in our recent NASS Annual Report. What is more important is that we are beginning to benefit from a national file of such data. NASS has greatly improved our ability to observe and quantify the losses due to motor vehicle accidents. When the NASS system is completed, its capabilities will include the opportunity to study trends as well as to identify specific problem areas. This capability, in turn, will enhance our development of countermeasure programs to improve vehicle and highway safety through more realistic modelling of the true national accident experience.

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PROGRAM EMPHASIS

At the outset of the hearing on my nomination last April I made it clear that I accepted this office because the issues of vehicle and highway safety are among the most important facing the nation today, from a moral, legal and economic standpoint. I believed that there is a rapidly growing public awareness of safety issues that would shortly be making its pressure felt in the marketplace. I believed that the auto manufacturers and supporting industries can, must, and will consider safety as they develop cars to meet future needs. I continue to hold this view.

At the same time, I also stated that I subscribe fully to the view of this Administration on Federal regulatory responsibility—that the Federal government can and should regulate to address market externalities, where regulation can be shown to be cost-effective. In reaffirming this principle, I also made it clear that I recognize the appropriate role of the analytic tool that we now all call cost-benefit analysis. Such analyses are relevant and appropriate in virtually all cases, but in keeping with the statutory mandates of the Congress to protect human life this tool cannot and must not be allowed to develop into the sole determinative criteria in public policy decisionmaking.

I believe the agency's record of the past year shows that while we have kept a careful eye on the cost-effectiveness of our programs, that record demonstrates our vigilant commitment to auto safety and to the enhancement of those governmental efforts that will most effectively and efficiently reduce deaths and injuries on our nation's highways. We will continue this emphasis and our efforts to improve the ways in which we achieve our mission objectives through reform of our programs, through enhanced cooperation with other governments, the academic community and the private sector in vehicle research, and through increased emphasis on safety awareness by the driving public.

Our top priority is to assure that our resources are directed at activities which have the most realistic prospect of success and which will result in the maximum safety gain per dollar invested. We are continuing our assessment of program priorities to determine the best way to achieve our goal. We are paying more careful and detailed attention to the extensive data now being collected by the agency and the states, in some cases for the first time, to measure our progress in identifying and addressing significant safety problems.

In addition, we are emphasizing the achievement of a proper balance between our vehicle and highway safety activities. As is the case in many other areas of federal activity, for too long our agency has tended to concentrate on the hardware of progress, on high technology solutions, on the search for the always elusive quick effective answers. We have in the past too often tended to emphasize and stress vehicle design solutions, in some cases to the pointed exclusion of other available, promising but far less dramatic approaches. We simply can no longer afford to ignore any solution to the appalling losses we suffer on the nation's highways.

Our current emphasis on the entire spectrum of solutions, including the highway safety side of our mandate, for example our safety belt program, is a prime example of our commitment to address areas which we have failed adequately to address in the past to the detriment of hundreds of lives needlessly lost each year.

NATIONAL TRAFFIC AND MOTOR VEHICLE SAFETY ACT OF 1966

On March 9, we submitted to the Congress an authorization request of $51.4 million for fiscal year 1983 and such sums as are necessary for fiscal year 1984 for implementing the National Traffic and Motor Vehicle Safety Act of 1966. This request continues our emphasis on achieving our mission objectives through reform of our programs, enhancing cooperation with the private sector in vehicle research, and increasing the safety awareness of the driving public. I will briefly highlight our activities in these areas.

A most important aim of regulatory reform, as viewed by both the Congress and the Administration, is the elimination of unnecessary regulatory and administrative costs. Last year, we discussed our plans to review all pending and proposed motor vehicle safety and fuel economy standards and regulations to determine if any appropriate modifications could be made to meet this objective. In undertaking this review, our primary concern with respect to safety regulations has been, and always will be, to concentrate on requirements which directly reduce the threat to human life and debilitating injuries and to weigh carefully the costs associated with these regulations to see that they do not transcend any realistic gain in motor vehicle safety benefits.

As you know, on April 6, 1981, based on the findings of our initial review, we published a Notice of Intent proposing 17 rulemaking actions which appeared to meet

these criteria. Since then, we have completed a comprehensive review of additional data and information submitted to the docket and have completed action on eleven of these rulemaking actions. The remaining proposals are still undergoing a thorough review based on the rulemaking proceedings.

I would like to add that, while evaluating the relative costs and benefits of individual standards has been our primary concern, we have also looked in the past year into the overall cost of regulated safety features. We have compiled a preliminary report on the cost of automobile safety regulations which details the agency's cost estimates, including other types of costs that result from regulation such as fuel consumption due to the added weight of safety features.

In this report, we have examined data supplied by industry to the Bureau of Labor Statistics as well as data from the agency's own studies to determine the actual cost of specific standards. Based on these data, we estimate that changes made since 1968 to meet Federal safety standards cumulatively comprise about $350 or roughly 4 percent of the price of a typical 1981 model year passenger car. Moreover, the additional weight of these safety features adds over $100 in fuel expenditure during the life of an average vehicle. When the entire vehicle fleet has been equipped with these features, nearly 30 million barrels of oil will be consumed annually as a result of safety regulations.

The high costs both to individuals and to society in general of vehicle-related regulatory requirements indicates the need to assess additional methods of achieving motor vehicle safety. By comparing regulatory solutions to the potential effects of human factor elements such as seat belt usage and drunk driving laws, we can decide how best to address the Nation's vehicle and highway safety problems.

We are continuing the intensive review of existing motor vehicle safety standards and regulations to assure that they effectively and efficiently address critical questions of vehicle safety. NHTSA's regulatory reform actions identified thus far may potentially save consumers several billion dollars annually without in any way compromising important safety goals.

At the same time, experience has shown that mandating performance is not the only or most efficient way to improve vehicles. Actual implementation of vehicle safety improvements other than through direct regulation will remain a top priority for NHTSA. Our internal R&D priority review concluded that the best, fastest, and surest way to encourage actual implementation of new safety technology is through production-oriented safety research. We have decided to continue the R&D approach begun by the previous administration along these lines. With this in mind, we have initiated a program to encourage increased government/industry cooperation and to coordinate our safety research efforts with those of the vehicle manufacturers. This program is aimed at more efficient use of R&D resources, and ultimately at the incorporation of safety improvements in production of motor vehicles at a faster rate than has been possible through regulation alone. Early targets for this effort would appear to be side impact protection and improved safety of steering columns.

All demonstration testing of the two Research Safety Vehicles (RSVs) has been completed. Technical reports of the findings have been completed and publication of the last test report is in progress. We are now evaluating specific components and subsystems used on these research vehicles to determine which are feasible for near-term transfer to production cars. The windshield of the Calspan/Chrysler RSV, for example, provides much improved protection against the facial lacerations caused by shattered windshields. It does not meet current Federal Motor Vehicle Safety Standard 205 requirements, however, so we are testing this type of glazing further and reviewing our requirements to see if this windshield could be used. Side crash protection concepts of the RSVs such as door interlocks, hinge reinforcements and padding are being further developed in our on-going projects to modify the GM Citation and VW Rabbit for increased crashworthiness.

Production feasibility is a primary goal of these projects and was a major reason for selecting the manufacturer, VW, to carry out this phase of our ongoing research. If the evaluation of this modified design shows improved performance at an acceptable cost, we have been assured that VW will voluntarily incorporate the design features into their new model cars. Side impact crashworthiness is also the subject of the first of a series of programs being coordinated between NHTSA and the Motor Vehicle Manufacturers Association.

MANAGEMENT EMPHASIS

Nearly a year ago, I directed our offices to undertake full planning reviews of several different aspects of our internal decisionmaking processes. I specifically wanted

to address how we allocate resources within the agency and how such allocation relates to our setting of management objectives.

When I assumed this position, I discovered that the top level management of the agency had failed to effect an orderly, systematic approach to problem identification and resource allocation.

I was especially interested in how we identify research and development and rulemaking priorities, how we allocate agency resources in the quasi-judicial areas such as enforcement and responses to petitions, and how we fulfill our consumer-related responsibilities.

This review has already produced tangible results. At the Society of Automotive Engineer's 1982 convention in Detroit we presented six technical papers on how we identified specific R&D priorities. The reaction of commenters from this country and abroad, from academic, governmental, and industry sectors, has been overwhelmingly positive to the opening of such a dialogue on decisionmaking processes to review by all interested parties. I would like to submit copies of these papers for the record.

One of my earliest discoveries was that our response to rulemaking petitions, one of our quasi-judicial functions, was time-consuming, often delayed unnecessarily, and subject to no internal deadlines and controls. It seemed to me that this was especially unacceptable. As the agency develops its own planning priorities, the world we regulate proceeds as before. Problems may or may not exist, as we proceed to determine which is the case. But a petition to the agency represents in every instance a discrete, identified problem, coming either as a result of, or arguably requiring, regulatory action on our part.

In my judgment there is little if any excuse for an agency not proceeding to respond to such cases in an orderly, timely and efficient way. Last week, I therefore approved an internal NHTSA order creating an entirely new process to handle petitions in a systematic and timely manner.

The new Order imposes strict internal deadlines for agency action, which will in all cases begin with a classification of the petition according to the gravity and complexity of the issues presented.

Another major emphasis of our new program is on providing more and better automobile information to consumers. The issue of enhanced competition based on safety is a constant issue for NHTSA's attention. NHTSA must determine the best method for fulfilling its statutory mandate to collect and disseminate information on automobile safety features and safety performance. Our main objective is an informed public, who will know how to achieve greater protection through informal purchasing decisions. Our Safety Belt Usage Program will significantly enhance this effort. In addition, we will focus on educating the public and assisting states and communities to accelerate action to get drunk drivers off the road. I will go into this in more detail when I discuss the agency's activities under the Highway Safety Act.

Recently, we announced an expansion of NHTSA's toll-free Auto Hotline telephone and Teletyrm service (for the hearing impaired) which serves the continental United States, Puerto Rico and the Virgin Islands. This service has provided callers with the opportunity to obtain safety-related recall information on motor vehicles, vehicle equipment and tires. In 1981, over 75,000 calls were received requesting recall information. In February 1982, we expanded the Hotline to enable us to supply consumers with more and better information on automobiles, including crash data, tire information and bibliographies of automotive articles. The first several weeks of this expansion increased the Hotline activity from approximately 500 calls a day to approximately 800 calls a day, and this has all been done this fiscal year within existing employment ceilings.

As a final note on activity in 1981 under the National Traffic and Motor Vehicle Safety Act, motor vehicle manufacturers recalled more than 9 million vehicles because of safety-related defects. Of the vehicles recalled, more than 75 percent were voluntarily recalled by the manufacturers, while agency actions or investigations influenced the recall of an estimated 2.2 million vehicles. The total is almost double the five million recalled in 1980 and represents the fourth largest number of vehicles recalled since the passage of the Act in 1966.

MOTOR VEHICLE INFORMATION AND COST SAVINGS ACT

The March 9 request we submitted to Congress contained proposed authorizations to meet the continued effective implementation of the Motor Vehicle Information and Cost Savings Act programs under the jurisdiction of this Subcommittee. For Title I of the Act, "Bumper Requirements," we requested an authorization of $320,000 for fiscal year 1983 and such sums as are necessary for fiscal year 1984.

For Title II of the Cost Savings Act, "Automobile Consumer Information Study," we requested an authorization of $1,677,000 for fiscal year 1983 and such sums as are necessary for fiscal year 1984. During 1981, NHTSA expanded its efforts to investigate the comparative crashworthiness of different automobiles and to disseminate the resulting information to consumers. These tests are conducted under Title II of the Cost Savings Act. The intent of this program is to provide increased consumer awareness of comparative automotive safety performance via crash-testing. It is also anticipated that the results of the program will foster competition among manufacturers to produce cars which are safer.

In February of this year, NHTSA conducted its first crash test ever to be opened to the public, and simultaneously announced what we believed to be the most comprehensive and, at the same time, cost-effective program of consumer information ever attempted by a federal agency. It is based not only upon the pattern of requests and preferences expressed to us directly by the public, but upon our studies as to what information, in what form and in detail is the most necessary, meaningful and desirable to help create an informed automotive consumer and efficient marketplace in which economic competition based on safety can become a reality.

Included in the plan is a program of repeatability testing to assess the consistency or variability inherent in the test procedure itself. The auto manufacturers have agreed to cooperate in this program in which 16 identical cars, 4 at each of 4 tests sites, will be crashed. An analysis of the variances shown in this test program will enable NHTSA to estimate the significance of the relative crash performance measurements of different cars.

For Title IV of the Cost Savings Act, "Odometer Requirements," we requested an authorization of $183,000 for fiscal year 1983 and such sums as are necessary for fiscal year 1984. During fiscal year 1981, NHTSA continued its odometer enforcement program, confirming odometer fraud in 92 investigations within 21 states. Twenty-two cases involving large-scale odometer tampering were turned over to the Department of Justice for criminal prosecution. Civil penalties were assessed against 41 dealers, 10 cases were referred to state enforcement agencies, and the results of 19 investigations were given to consumers so that they could take private civil actions to recover damages. A concentrated enforcement effort in the Southeastern part of the country resulted in the states of North Carolina, South Carolina, and Georgia enacting regulations requiring odometer readings on all vehicle title transfer documents, which should significantly help to reduce odometer fraud in those states.

AUTOMOTIVE FUEL ECONOMY PROGRAM

No authorization is being sought for Title V of the Cost Savings Act, "Improving Automotive Efficiency," consistent with the previous handling of this title by the authorization committees of the Congress. We have submitted three proposed amendments to the Automotive Fuel Economy Program in our March 9, request, however, which I would like to mention briefly.

The first of these proposals would correct a discrepancy in the Act and make the Secretary's amendment authority with respect to light truck fuel economy standards as parallel as is possible to his amendment authority with respect to passenger car standards. The second amendment would continue the model year 1985 alternative average fuel economy standard or standards set for low-volume manufacturers for each model year thereafter unless the Secretary, in his discretion, sets alternative standards after model year 1985. This amendment would bring the requirements for passenger cars of low-volume manufacturers in line with those for passenger cars of the larger manufacturers. The third amendment simply would put the fuel economy reporting requirements of the manufacturers on an annual basis, a frequency our staff considers appropriate for monitoring compliance.

During fiscal year 1981, domestic passenger automobile and light truck manufacturers continued to increase the average fuel economy of their fleets. The fuel economy achievements of both domestic and foreign manufacturers have been updated since their publication in the agency's Fifth Annual Report to the Congress on this program. Current plans of the major manufacturers for the early to mid-1980's indicate that they will easily meet or exceed the existing fuel economy standards through MY 1985 for both passenger cars and light trucks.

The primary reason for this trend is the increased demand in the marketplace for fuel-efficient vehicles. The result has been a substantial change in new vehicles from Detroit in response to this pronounced shift in consumer demand. Although gasoline prices have remained rather stable, chiefly due to a large supply of gasoline available in the market relative to gasoline demand, most observers view this

development as a mere temporary aberration in the market with no basic changes in the long-term trend of rising real gasoline prices. It is therefore likely that these short-term stable gasoline prices will not induce a reversal of long-term forces at work in the motor vehicle market.

HIGHWAY SAFETY ACT OF 1966

Funds allocated to the states under the State and Community Grant Program represent only two to three percent of total state expenditures for highway safety. Since its inception in 1966, the program has been intended to channel state spending into the right kind of highway safety programs. It has unquestionably influenced the growth we have seen in the quantity and quality of highway safety programs initiated by the states; catalyzed states' efforts in dealing with priority safety problems; and influenced state and local funding for safety programs.

Our funding proposals for the State and Community Grant programs reflect two related concerns: our desire that the budgetary constraints, mandated at all levels by this nation's serious economic conditions, be accommodated in orderly fashion, and our concern that such accommodations be made with the least possible adverse impact on safety. To minimize the effects of such limitations, the agency made serious and determined efforts throughout 1981 to identify and focus available funding on what we believed to be the highest payoff areas: alcohol countermeasures, police traffic services, emergency medical services and traffic records.

Further refinement of these judgments was clearly needed, in consultation with the states and the Congress, to find the most effective funding and program management process. These concerns were reflected in our dealings with the states, and in the enactment by the Congress of the Omnibus Budget Reconciliation Act of 1981. The rulemaking process required by that Act, to identify priority areas and create an ongoing process to continue this result, is nearly completed. Two public hearings were held last fall on an Advance Notice of Proposed Rulemaking. Based on these hearings and on extensive internal review, our Notice of Proposed Rulemaking was issued on February 2, 1982. Three public hearings have been conducted in Washington, D.C., Chicago, and San Francisco. A final rule will be issued no later than April 1, 1982.

At this point, five program areas have been identified as being most effective in reducing deaths and injuries: the four just mentioned plus occupant protection; that is, the use of safety belts and child seats. Statistics show that, if such safety belts are used, half of all deaths and injuries to occupants of passenger cars, light trucks and vans could be prevented.

I have attached to my prepared statement a brief list of recent accomplishments of Section 402-funded projects.

A direct relationship between funding level or funding emphasis and actual impact on highway casualties is exceptionally difficult to establish in the aggregate. There are, however, signs of positive programs. Local alcohol countermeasure programs are having a very positive effect in reducing both alcohol-involved crashes and the number of drinking drivers who, once they have been counseled and retrained, drink and drive again. On the local and state levels, we see groups of concerned citizens organizing to demand state action, such as legislation to raise the minimum age at which young people can buy alcohol or imposing mandatory sentences on repeat offenders. We believe the Section 402 program can further improve highway safety by continuing to encourage and support state and local efforts along these lines.

The Notice of Proposed Rulemaking also includes two proposed funding methods. One approach would limit funding to the national priority program areas with other programs to be funded solely by the States. The second alternative would involve a two-tier approach whereby projects within the national priorities would be approved with a minimal Federal review, with other programs receiving a more detailed review by either the state itself, at its election, or the Federal government.

We are very pleased with the good cooperation and input we have received from states and congressional committees. We have received over 650 comments and 130 statements on this program in the course of our five hearings.

This concludes my statement, Mr. Chairman. I would be pleased to answer any questions that you have.

RECENT ACHIEVEMENTS OF THE STATE AND COMMUNITY HIGHWAY SAFETY GRANT PROGRAM

The Arkansas Alcohol Education Treatment Program used 402 funds to help the state establish a statewide driving-while-intoxicated (DWI) education and treatment system—a system now supported through client fees.

The Iowa Alcohol Statewide Countermeasures Program reduced fatal crashes at test sites by 34 percent in the first year and 8 percent more in the second year.

The Michigan/Ottawa County Emergency Medical Service (EMS) Project used 402 funds to provide police ambulance response times of four and one-half minutes, compared to eight minutes by private ambulances. The county is continuing this project with its own funds.

The D.C. Alcohol Countermeasures Program used 402 funds to increase dramatically the number of alcohol-related arrests (from 900 to 4,000) over the early 1970's, reduced the average blood alcohol concentration (BAC) from .31 to .18, and reduced fatalities from 121 in 1970 to 46 in 1980.

Selected Traffic Enforcement Program (STEP) in North Dakota and Pennsylvania reduced accidents by over 40 percent. In the case of North Dakota, this decrease was in the face of a 62 percent increase in traffic volume. The STEP in Salt Lake City only reduced accidents by 27 percent—but decreased fatalities by 60 percent.

Senator DANFORTH. The next witness is Steven Jacobs.

Mr. PECK. Mr. Chairman, I am sorry. May I introduce for the record—we have had three airbag crashes in the last 2 weeks on which we have initial reports. I would like to introduce the preliminary reports on those into the record.

We are having, of course, detailed investigations done. The devices worked as they are intended to and apparently to great effect.

Senator DANFORTH. Thank you very much.

[The report follows:]

1. *Pittsburg, Pa., March 22, 1982*

1974 Air Bag Oldsmobile was sideswiped and directed into an opposing traffic lane where it collided head-on with a Ford Pinto. The air bag deployed in the impact with the Pinto.

The air bag vehicle driver sustained bruises to his right shoulder, a minor cut under his right eye, and a bump on the left side of his forehead. This driver was not wearing his available seat belt and was protected solely by the air bag. NHTSA staff talked with the driver by phone and he stated the air bag deployed instantaneously upon head-on impact with the Pinto and in no way caused the accident or increased the severity, as initially reported by the media.

The Pinto driver was killed instantaneously and the right front passenger is still hospitalized but in good condition. Specific injury information is being obtained.

Calspan Corporation is conducting an in-depth investigation of this accident.

2. *Greeley, Pa., March 7, 1982*

1976 Air Bag Oldsmobile overrode a guardrail and snagged on a metal post resulting in an air bag deployment.

All four occupants were treated and released for miscellaneous aches, pains, and bruises. All four occupants (2 front and 2 rear) were lap belt in addition to the air bag protection for the front seat. The driver, a 52 year old physician, was interviewed by Bess Myerson on Channel 2 in New York and he highly touted air bags.

Calspan Corporation is conducting an in-depth investigation of this accident.

3. *Farmington, Conn., March 5, 1982*

1974 Air Bag Cadillac was impacted in the right front by a 1974 Chevrolet in an intersection. The air bag deployed upon impact.

The 51 year old female driver of the air bag car (not belted) sustained cuts, bruises and abrasions to her right hand, arm and knees.

The 70 year old male driver of the Chevrolet, wearing both lap and shoulder belt (shoulder belt improperly worn under the arm) sustained four cracked ribs, contusions to knees and lower legs, and a small laceration on his nose.

Calspan Corporation is conducting this in-dapth investigation.

4. Tampa, Fla., March 6, 1982

1974 Cadillac rear-ended a 1981 Mercedes after the Mercedes made a lane change in front of the Cadillac. The Cadillac air bag deployed upon impact with the Mercedes.

None of the four Cadillac occupants received injury that required medical treatment. The Cadillac lap belts were not in use.

Th Mercedes driver, using the available lap shoulder belt, was also essentially uninjured. The Cadillac received about 8 inches of crush in the impact.

The University of Tennessee team is conducting this investigation.

Senator DANFORTH. Mr. Jacobs, please proceed.

STATEMENT OF STEPHEN A. JACOBS, EXECUTIVE DIRECTOR, TRAFFIC SAFETY FOUNDATION, ACCOMPANIED BY PAUL SMALLAR, COUNSEL

Mr. JACOBS. Mr. Chairman and members of the committee, I am honored to appear before you today. I am Stephen Jacobs. I am here today as the executive director of the Traffic Safety Foundation. In my prepared statement submitted for the record I have addressed your specific questions and will now summarize the primary intention of the Traffic Safety Foundation.

I clearly appreciate the opportunity to cooperate with this committee in accomplishing the national traffic safety goal all of us here in this room today share. That is to end the tragic loss of life, the unnecessary pain and suffering, and the financial waste resulting from traffic-related incidents.

Senator, just this morning, in the time since I had my morning coffee, about 25 Americans have already died without expectation or warning in traffic-related incidents. Another 450 Americans are now seriously injured, again since I read my morning paper and, again, without any expectation or warning. And the financial waste, as we all know, is rising at a rate of $95,000 per minute, every minute of every day.

Today, now—in this room and at this moment—we have the ability to reduce or, if we dare, to eliminate the primary killer of Americans in the prime of their lives. The death, injury, suffering and expense from traffic-related incidents can affect all of us without warning. It will always strike when we least expect it. We caused the condition we now have.

The opportunity before us now, working in partnership, is to transform that condition and be responsible for our safety and the safety of others. The result of a motivated, informed, safety-conscious America may produce a strong public demand for laws and regulations, utilization of existing or new technologies, tax incentives, new enforcement actions. Motivated individuals make choices and have demands.

My testimony relates to the unique opportunity we now have to awaken our families, our communities, our constituents, to awaken their own national interest in their safety and the safety of others. Much is now being done to serve people in such a way that they can become more aware of the actions they can take to be safe for the sole purpose of reducing death and suffering.

A variety of institutions and organizations, many of whom are represented here today, are now actively communicating their positions about what is wanted and needed. For example, we now have

visible efforts underway by the President of the United States, by the National Highway Traffic Safety Administration, by insurance and automobile companies, by the National Safety Council and the Highway Users Federation, by a new and expanding base of corporate support, by consumer and public interest groups, including those under the leadership of Ralph Nader, Joan Claybrook, Clarence Ditlow, as well as, Senator, the valuable, committed, and visible efforts of this committee.

As a result of these efforts there is indeed the beginning of a heightened awareness of the issues of traffic safety. We are now at the very threshold of a door, just on the other side of which are nearly 230 million other Americans who share the same vision we have behind the positions we postulate for traffic safety. That vision is to be safe and to always have our families return home safely.

To bring that vision into being we must create the context of individual responsibility, that individuals are indeed responsible for traffic safety. In that context, individuals will do what is necessary and appropriate to assure their safety and the safety of others.

This is the context out of which all of our actions will succeed. Creating and operating from that context is the unique role for the Traffic Safety Foundation. Without creating that context we will have what we have today—a death toll which has not gone down, individuals not taking responsibility for their safety and the safety of others, as manifested in an 11 percent safety belt use rate.

Out of this context, we have an opportunity to work together to emphasize the commonality of our objectives and to bring about the success of the traffic safety programs already begun. This context and partnership is an answer to reducing the death toll. It may not be the only answer, yet it is the answer which reflects the priority we all have.

Today I ask for the safety community and all safety conscious Americans to join together in the national traffic safety coalition. I call on us to put our priorities before our positions, to join together in awakening individuals to the lifesaving difference they can now bring to their own safety, while at the same time we include legislative and technological improvements in our efforts to reduce the No. 1 killer of Americans.

Senator, I have about another minute or two. May I continue?

Senator DANFORTH. Yes. We have a number of witnesses in a short time, so if you can abbreviate it, I would appreciate it.

Mr. JACOBS. I will. Our success as a coalition, which can translate into lives and lives saved, will come about when we include all of these efforts in the safety community as having a value. By coming together in a national traffic safety coalition, we can change the condition in traffic safety we now have, one which pits technology against awareness against legislation and which has produced exactly the results none of us seek.

The opportunity in this room and at this moment is to put the clarity of our common vision for safety and our commitment for saving lives before the exclusivity of our positions for technological and legislative actions we also seek.

By declaring today that we will work together for achieving traffic safety, we can create a new reality in America. That is that we

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will end the needless death and suffering on our highways, and we together can begin now.

To conclude, I am certain that each of you are personally committed to creating a new traffic safety reality, to ending our needless loss of life and lives. I have chosen this to be one way I can contribute to the quality of life in America. One of the demonstrations of my commitment is the Traffic Safety Foundation.

Today I respectfully ask the subcommittee and those present or represented here to take advantage of our opportunity to join together in a national traffic safety coalition, to give resolve to our intention to end our No. 1 killer, and the strength of our resolve will come from the commonality of our purpose.

Thank you, Senator.

Senator DANFORTH. Your point, as I understand it, is that, quoting from your statement, "Some attempts by government to regulate and to legislate traffic safety have been unproductive, detrimental to economic growth, and burdensome to the people of America as taxpayers and as citizens whose freedom to express personal choice is paramount."

Therefore, your constructive idea is that the best way to improve safety would be to create a context of individual responsibility, that individuals will do what is necessary and appropriate to assure their safety and the safety of others. Is that basically your view?

In other words, you try to heighten awareness and put out various buckle-up campaigns and whatnot?

Mr. JACOBS. No, sir. I feel what is necessary is to create a national awareness much broader than has taken place in this country so that wherever we go we cannot miss the message that we must take responsibility for our safety and the safety of others every time we walk out of a door at a restaurant and every time we drive out of a parking lot.

Senator DANFORTH. You basically want to change habits.

Mr. JACOBS. I am trying to create an awareness that traffic safety is, given what is on the road today, our individual responsibility.

Senator DANFORTH. This is your response or your alternative to, say, airbag regulation?

Mr. JACOBS. No, sir. As I said in my testimony, what we have is a condition which pits technology against legislation, against awareness. What must be done is to create the awareness out of which there will be a demand for more safety technology and more safety legislation.

I do not advocate one over the other. I do believe awareness will support all of us, including the Congress and the administration and safety organizations.

Senator DANFORTH. I suppose that from NHTSA's point of view the question is how much of its efforts go into determining appropriate rules and regulations on the one hand and how much of its efforts go into creation of awareness on the other hand.

Mr. JACOBS. Yes, sir.

Senator DANFORTH. My view, for whatever it is worth, is that they would be doing a much better job if they would concentrate on the regulations. I do not think you are going to get very far with preaching at people. I wish you well in your undertaking.

Mr. JACOBS. Thank you. We are committed to creating a national awareness for traffic safety, that awareness which will support other efforts, and I do hope that can all work together in creating that awareness, because that is the desired result we all seek.

Senator DANFORTH. I would just say that awareness is no subtitute for safeguards. It is no substitute for ready procedures for getting drunks off the roads and so on.

Mr. JACOBS. I would agree with you, and the work of the Traffic Safety Foundation is in the one area that supports all of those other efforts, and that is the effort of awakening the American people to what they can do and out of that will come a demand for better laws and more technology.

Senator DANFORTH. Thank you very much, Mr. Jacobs.

Mr. JACOBS. Thank you, Senator.

[The statement follows:]

STATEMENT OF STEPHEN A. JACOBS

Mr. Chairman and Members of the Committee, I am honored to appear before you today. I am Stephen Jacobs, and I am here today as the Executive Director of the Traffic Safety Foundation. Also, I will be presenting to you information and material relating to my position as President of Jacobs & Co., and prior to that when I served as Deputy Assistant to the Secretary, United States Department of Energy.

I appreciate the opportunity to cooperate with this Committee in accomplishing our national goal; that is, to end the tragic loss of life; the injurious pain; suffering and debilitation; and the enormous financial waste resulting from traffic-related incidents. Today, in the time since we had our morning coffee, about 25 of us have died without any expectation or warning; in traffic-related incidents; another 450 of us are now seriously injured—in pain at this moment—again, without any expectation or warning; and the financial waste mounting at a rate of over $95,000 per minute, every minute of every day of the year.

And, at every moment, we have the ability to reduce, or, if we dare, to eliminate the primary killer of Americans in the prime of their lives. The death, injury, suffering and expense from traffic-related incidents can affect each of us without warning—it always stikes when we least expect it. We cause the condition we now have. The opportunity for us, working in partnership between the private and public sectors and with individuals, is to transform that condition and be responsible for our safety and the safety of others.

The result of a motivated, informed, educated, safety-conscious America may well produce a public, grass root demand for stronger laws and regulations, existing or new technologies, tax incentives, enforcement actions and other measures. Informed, motivated people make choices and have demands for technological improvements and legislative incentives—my testimony today relates to the unique opportunity we now have to awaken our communities, neighbors, friends and families all across this nation to their own natural interest in being safe and in taking actions to assure that safety.

Much is now being done to serve people in such a way that they can become more aware of the actions they can take to be safe. For example:

The National Highway Traffic Safety Administration is emphasizing individual awareness and actions for traffic safety and has begun a networked and integrated national safety campaign.

The President has personally raised the issue of traffic safety as it relates to alcohol counter-measures, and will shortly put the prestige of his office in front of a safety awareness and safety belt campaign.

Some insurance companies, including our own community leader, GEICO, are committed to assisting in the success of a national traffic safety awareness campaign.

The American automotive industry, with its long record of promoting safety, has renewed and re-dedicated itself to alerting and informing the public of how to best use what is now available to assure individual safety—and they have financially committed themselves to these programs in the face of a very tight economic environment.

Such private groups as the National Safety Council, the Highway Users Federation, and many state and local safety organizations, are creating programs which may further leverage the national effort.

A broad base of corporate support not usually associated with traffic safety, including Warner Communications and their D.C. Comics Subsidary, AMAX, Toys-R-Us and others with whom I have spoken personally are willing to cooperate to assure the success of our efforts.

Consumer and public interest groups, including MADD and those under the leadership of Ralph Nader and Joan Claybrook, and many others, are creating broad public support for what they feel must be done to create a condition of traffic safety in this nation.

And, the valuable, committed, and hard-working efforts of the Congress, including the contributions of this, the Surface Transportation Subcommittee of the Committee on Commerce, Science and Transportation, continues to attract the nation's focus on traffic safety and the immediate and longer-term drive to end the needless death and suffering resulting from traffic-related incidents.

As a result of your efforts, those that I have mentioned, and the many others around the country, we are now at the very threshhold of a door, just on the other side of which are nearly 230 million Americans who share the same vision we have—to be safe and to always return home safely. That vision can be realized.

To bring that vision into being, we must create the context of individual responsibility, that individuals are responsible for traffic safety. In that context, individuals will do what is necessary and appropriate to assure their safety and the safety of others. This is the context out of which all the programs to which I have referred will succeed. Without creating that context, now, we will continue to have what we have today—individuals not taking responsibiity for their safety and the safety of others, as manifested, for instance, by less than 11 percent of us wearing safety belts.

Creating the context for individual responsibility for safety is one mission of the Traffic Safety Foundation. As stated in the Articles of Incorporation, one of the purposes of the Foundation is "to establish a context within which government, organizations and individuals can come together in the mutuality of concern over highway safety actions."

One purpose of the Foundation is to transform the condition from one of individuals not taking responsibility for their traffic safety to one of individuals taking responsibility for their safety. This shift alone will support and empower Congress, the Administration, and all of the organizations to which I referred, to produce the life-saving results we all seek.

Out of context, we have an opportunity to work together, to emphasize the commonality of our ultimate objectives, and to bring about the success of the traffic safety programs already begun.

This context and partnership is an answer to reducing the death toll * * * it may not be the only answer, yet it is one answer which must be included in achieving our objectives.

There will be many of us in this proposed National Traffic Safety Coalition who believe that legislation and technological improvements are also answers, and we should all include that in our efforts to reduce the number one killer of Americans in the prime of their lives. Our success—which translates into life and lives saved—will come about when we inlcude all of the efforts of the safety community as having a value. And, the public acceptance of and demand for all of our efforts, including legislation and technological improvements, will expand through a heightened awareness of our individual responsibility for traffic safety.

In founding the Traffic Safety Foundation, I included in its Articles of Incorporation (Attachment A)[1] the safety awareness objectives which I felt were needed, and then I limited the activities of the Foundation to include only those activities. These activities, within a context of individual responsibility for safety, include:

Raising traffic safety to a high level of national awareness;

Focusing on the one area which can produce profound and immediate life-saving results—that is, individual awareness and action;

Increasing safety belt use—which is a demonstration of individual awareness and commitment to safety—to a use rate of 25 percent (up from a current use rate of about 11 percent) in the short term, a level at which a critical mass of agreement is reached and which forms the foundation for further and rapid expansion of use;

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[1] The attachments were not reproducible and are in the committee files.

Creating national emphasis on individual responsibility for safety and creating a national ethic much like savings, education, conservation, fast foods, and a host of larger and smaller instincts we share;

And, creating this life-saving national traffic safety awareness in a spirit of mutual cooperation among the private and public sectors, and doing so in such a way as to alleviate the burdens of government, imposed on the citizens through taxation, in the execution of these programs.

These actions reflect the concerns of most of us, as well as what is wanted and needed by all of us. The success of these actions, within a context of individual responsibility for safety, will enhance and augment the efforts of those of us who are equally committed to more, or better, or different technologies, regulations or laws intended to reduce death, injury and financial waste. To be certain, the efforts under way in the areas of technology, tax incentives, regulations and laws, will receive greater attention and faster acceptance as individuals become motivated and educated to their responsibility for their traffic safety.

The condition in traffic safety which we now have—one which pits technology against awareness against legislation—has produced exactly the results none of us seek. Today, the condition exists that "accidents happen" and traffic safety is usually the other person's responsibility—and that "person" is not just the other driver, but also includes the Congress, the Administration, the Judiciary, city or state government, public interest groups, and insurance or automobile companies. Many of us abdicate our responsibility for safety to these organizations, while we remain passively insensitive to the personal participation required in our own safety. And, organizations perpetuate this abdication of responsibility and support it on dual legs of inevitability: first, programs to transform individuals are powerless; and, second, individuals will not take greater responsibility for their safety.

Now is the time for a different approach, for emphasizing individual responsibility and for the coming together of a coalition, a temporary alliance of safety factions, to work together to create a life-saving difference in our communities and nation.

As you requested, I will give you a brief background on how I came to these conclusions and to establishing the Traffic Safety Foundation.

Last August, I was President of Jacobs & Co., a Washington-based public relations and marketing firm specializing in creating corporate-government partnership programs. Prior to that, I had been Deputy Assistant to the Secretary, U.S. Department of Energy, and my professional communications background and experience includes association with E.I. duPont de Nemours, MacMillan, Inc., Communications Satellite Corporation, the United Jewish Appeal, New York University, and serving as a consultant to the National Energy Foundation, U.S. Synthetic Fuels Corporation, Ruder & Finn, Inc. (an international public relations firm) the U.S. Department of Energy, and others. As a result of one of the partnership programs I put together, I have appeared on several national television programs.

On August 6, 1981, a NHTSA employee—aware of a cooperative program I had created for DOE—discussed with me the possibility of putting together a corporate partnership program for NHTSA, much like the one I had done for DOE. The one I put together for Energy was designed to enhance national participation in energy conservation activities, and went to 100,000 schools and 800,000 classrooms for the U.S. Department of Energy, with their full editorial control, and without cost of federal dollars—a $500,000 cost saving to the taxpayer. And, the program was kicked off at the White House.

I entered into an agreement with NHTSA to produce a similar program. The fee to NHTSA for this particular program, for which I have yet to write an invoice, is one dollar a year.

As I began to develop this NHTSA program, it became clearer to me that a broad-based national partnership was needed to generate and create what does not now exist in America—that is, a life or death, corporate and citizen, awareness of traffic safety and what we, as individuals, can do to bring about a profound and immediate change.

I also saw that corporate support, combined with the intention of government, was encouraged by the Administration. As President Reagan said on December 2 at the Private Sector Initiative Task Force Meeting: "Government can provide opportunity. It can pave the way but ultimately it is up to individuals like yourselves who brave new horizons, expand freedom and create better lives for us all."

Out of the spirit of President Reagan's volunteerism and private initiatives programs, as well as acknowledged corporate willingness to support the national traffic safety emphasis, I proposed to NHTSA a feasibility study exploring the possibility of relating this national spirit to traffic safety awareness programs. NHTSA commis-

sioned the study from Jacobs & Co. for a total cost of less than $10,000, including legal fees, office expenses, staff, research, concept and creation.

At the end of last November, I began to commit my full energies and resurces to the development of the Traffic Safety Foundation.

Initially, I had assumed that the Administrator of NHTSA could serve as an ex-officio member of the Board of Trustees. This assumption was based on a suggested structure appearing in the feasibility study.

This was not the case. Anyone informed of the possibility that the Administrator could serve on the board was notified by me and with a letter from the Administrator declining to serve and praising the work of the Foundation.

Also, I sought and received the support from President Reagan for the work we are doing.

And, I sought but failed to achieve the support of the National Safety Council and the Highway Users Federation. These organizations have an influential and powerful role in the safety community; they are involved in diverse national objectives, as well as important lobbying and legislative concerns. Given the Traffic Safety Foundation's willingness to commit itself fully to a single area of the safety effort—that is, individual awareness and action—and since traffice safety is an important area of concern to the National Safety Council and the Highway Users Federation, as well as the concern of their corporate members and contributors, I felt the need for cooperation was imperative; and, it was not achieved. The result has been some fragmentation of our safety efforts, as well as some publicized dissention. I accept my responsibility in this matter. It remains my intention to unite with these two organizations and other safety conscious organizations and individuals to create a new National Traffic Safety Coalition.

To conclude, I am, as I am certain each of you are, personnaly committed to ending our needless loss of life and lives on our nation's highways. I have chosen to have this be one way I contribute to the quality of life in America. One of the demonstrations of my commitment is the Traffic Safety Foundation. I ask that you, the Administration, corporations and the safety community take advantage of the opportunity we now have to join together in a new National Traffic Safety Awareness Coalition to create a new reality, a reality that says we as a nation will end our number one killer—and the strength of our resolve will come from the commonality of our purpose.

Thank you.

Senator DANFORTH. The next witness is Dr. Henry Betts. Dr. Betts, thank you for being with us.

STATEMENT OF DR. HENRY BETTS, EXECUTIVE VICE PRESIDENT AND MEDICAL DIRECTOR, REHABILITATION INSTITUTE OF CHICAGO

Dr. BETTS. Thank you for the honor of being here. I appreciate the opportunity of appearing before you in this committee very, very much.

I have a written statement which is being distributed, and in that statement you will notice that, just to tell you briefly, I refer to the number of people killed every year—52,600—in the country in auto accidents at a cost of $39 billion.

I refer to the necessity of approaching the problem of drinking and driving and laws relative to that. I refer to the necessity of child passenger restraint in order to cut down the main cause of death in children, not to mention the disability.

I refer to the use of adult passenger restraint and to the motorcycle helmet laws. It seems to me that perhaps people feel that in the motorcycle area that maybe there is an unsaid thing, that after all, motorcyclists might as well be killed off anyway, so why bother with the helmet laws.

I think that is a latent subconscious thought that people have. I think that they are forgetting that they are talking about their own kids frequently now, and I do not see any way of doing any-

thing about that without some kind of laws of restraint, unless, of course, the Japanese can be restrained from taking revenge about Hiroshima by importing the motorcycles.

I refer to the drinking age and to the speed limit.

You may wonder why I would be involved in this. I do not represent an agency and I do not represent an epidemiological outfit, and I do not represent a foundation. I am simply a practicing physician in physical medicine and rehabilitation and I direct a center in Chicago called the Rehabilitation Institute of Chicago, which is affiliated with Northwestern University.

I suppose that it is the largest center of its kind. It treats people with severe disability, many of whom are brain-damaged or spinal cord-injured as a result of automobile accidents.

Certainly if you are in my business, the more you practice and see these patients, if you have any sensitivity at all, gradually over the years you cannot help but have it occur to you that in reality what I am doing essentially is a salvage operation, that if people had any sense they would put me out of business, because most of the people that I see really did not need to be as disabled as they are.

I cannot talk about the laws of God and philosophy and so on, but the more you see many of our patients, the more you realize that if they had just worn a seat belt, if they had just not gotten in a car with a drunk that they knew was drunk, if they had just happened to do something right instead of wrong it would not have been necessary to be quadraplegic or brain-damaged for their entire lives.

So that is just a little thing that gradually impinges your consciousness if you do my kind of work. We have the largest spinal cord injury center in the country and a very large brain damage program, so I see a tremendous amount of this devastation to families and to the individuals.

I got interested originally because a friend of mine was killed with five teenagers on Lake Shore Drive in Chicago in an accident—a young 14-year-old boy—and I had seen a lot of instances like that and I thought well, rather than just say, "Well, there goes another one," maybe there would be something that I and my institution could do to take a stand on this.

So I got together a lot of people on the subject. I was not very knowledgeable about how to prevent these things. I got together legislators and police and teachers and parents and all kinds of people. It was a very interesting meeting. They all blamed each other for the problem. The parents blamed the police; the police blamed the judges; the judges blamed the driver educators; the driver educators blamed the legislators. It was just a round-robin of everybody blaming everybody else.

Their conclusion was that I should do a research project in a high school on the west side of Chicago to see if there was a problem. I did not need to do any research project to see if there was a problem.

In those days, maybe now too, but in those days there was an autocracy, as you may have heard, in Chicago—we do not know about today, although we are finding out—so I went to Mayor Daley and I said, "Look, there seems to be this big problem. Every-

body says go away and leave it alone. What do you think I should do?"

And he said—I do not know whether here in the east he is considered as being very constructive, but he was—and he said, "Never let anybody tell you you cannot do something about something that should be done."

We began to explore this problem, he and I, and we had a conference on the subject and that is how I began to pursue this thing. I had to pick it up as I went along because I was not very knowledgeable about it. Anyway, we did change the drinking age in Illinois and we cut the deaths in that age group from driving about half in the year that that was done.

Obviously that touched on a constitutional issue, as all these things seem to right now. I testified, the main person testifying in the city, and then the county, and then the State—does that mean that I should stop?

Senator DANFORTH. That means stop. If you would like to wrap it up, that would be fine. We have a number of witnesses.

Dr. BETTS. Obviously, I view these deaths and disabilities as a medical epidemic. I mean, I view it as a medical problem and that is it. Death is very cheap. I can tell you disability is very expensive. If there is somebody who thinks that it is a cost-effective way of dealing with the issue by going ahead and not requiring the restraints, well, maybe they are right.

But as far as the disability is concerned, it is a considerable expense and, for instance, if there were adult restraints you would save about 52,000 lives, eliminate 2 million more serious injuries, and save $39 billion a year.

Now I think sometimes people feel maybe we doctors can solve the problem by euthenasia or something at the scene of an accident and say, "Well, this guy is going to be quadraplegic or brain-damaged and we will not save his life and, therefore, there will not be the costs." I can assure you that that is not going to be likely.

You cannot decide, even if we could say, "Well, a quadraplegic should not live or a severely brain-damaged person should not live." If we could make that moral judgment, I can tell you that at the scene of an accident we could not decide who those people are. So we are absolutely not going to be able to do that.

We are the only civilized country in the world which does not have a restraint law—and it does not seem a constitutional right any more, to me, nor to be able to leave yourself open to disability and make your neighbors pay for it.

That is what it boils down to. I think everybody evaluates all the budget processes you are going through. There seems to be a lot of vaguenesses relative to the cost effectiveness, and to the whole budget process and what the country can and should afford.

Nobody seems to have a lot of very good answers. It seems to me, though, that here in Washington this sort of dismantling of the Federal presence in relation to the disabled in general, and taking care of them, is not a cost effective process—we know that. You can take them off welfare and make them taxpayers.

It seems to me that the figures you have from me, and probably everybody who is here today, indicate that if one thing is cost effec-

tive in this country, assuredly it is of preventing this kind of disability—and we certainly know how to do it.

Senator DANFORTH. You mentioned a $39 billion figure. What was that for again?

Dr. BETTS. Doctors' fees. General costs to the people who have injuries and disabilities as a result of auto accidents—hospitals, doctors.

Senator DANFORTH. A person who is injured in an automobile accident and has brain damage, say a 20-year-old person who is injured and has brain damage, that person is going to be around for maybe another 60 years, correct, and is going to require help for that 60-year period of time.

Dr. BETTS. Well, yes, some of them, yes.

Senator DANFORTH. Frequently the case.

Dr. BETTS. Frequently the case. I mean, you know, there are various degrees of brain damage.

Senator DANFORTH. So when people say well, people should be free to, say, wear motorcycle helmets or be free to be able to buckle up or not buckle up, this is maybe a choice for the instant, but the effect of it, the effect of making the wrong choice, is going to be catastrohpic and very long term and very expensive.

Dr. BETTS. If anyone does not believe it, just come and visit my hospital.

Senator DANFORTH. Doctor, when you got into it, somebody said make a study of a high school and you said, "I do not need to study it." We have the same kind of approach here. You know, what we really need is more studies. Let us just be very careful.

We are going to have the best study system in the world. We are going to just have the most careful studies. The basic problem we have gotten into so far is that our studies have not been good enough and we are going to take great pride in the quality of our studies.

Dr. BETTS. That is ridiculous.

Senator DANFORTH. That is one approach to highway safety. We are just going to be magnificent in our study quality. Is that the approach that you——

Dr. BETTS. I think it is ridiculous. How many studies do we need? They have studied it in Japan, Australia, Germany, France, and Scandanavia. We have studied it here. If you want to keep giving Federal money for grants to study things and keep everybody in business doing studies, that is fine.

I think it would be more cost effective to read the studies from throughout the world and make a final decision. This has been going on for several years. Why not make a quick decision about it? I think it is absolutely ridiculous to do some more studies.

Senator DANFORTH. What would you do? If you were the Government, what would you do?

Dr. BETTS. Well, what I would do specifically? Well, first of all, I would mandate the child passenger restraint and I would mandate passive restraints in all cars, not the airbag specifically. I mean you could debate that forever—airbag versus seatbelt.

The seatbelts are in the cars anyway. I would just use the passive systems, which are very, very simple and very easy to use.

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The seatbelts are in the cars now. Why not just use at least this system, then build up a passive system? You can study forever. I know the NIH is going to study behavioral attitudes, and we have worked on behavior. We are working on children.

Assuming for a moment that you are not going to go ahead with this legislation, what we are doing at the Rehabilitation Institute is approaching children, assuming that maybe they are educable, and they seem to be in wearing seatbelts. So if you want to wait for about 10 years until they are grown up, then you will have an adult population who uses them.

I just figure, why wait? Why not go ahead? No one argued when we physicians said you must vaccinate your child against smallpox. Why should they argue when as a physician I say in order to save your life and disability you must have a seatbelt in a car?

When I flew in this morning I did not see anybody stand up and say they would not wear their seatbelt in the airplane. I just think it is bizarre. I do not understand it. I think it is nuts. I really do. It makes absolutely no sense.

How many studies do you want over this issue? And what constitutional right does it take away? I cannot understand it. People were hysterical over polio. Everybody gave polio vaccine to people. Polio was a minor problem—a minor problem—compared to this—insignificant compared to what we are talking about.

Senator DANFORTH. Just from your own experience, do you have any notion or any feel for the extent of injury, number of accidents and so on caused by people who are drunk while driving?

Dr. BETTS. From my own observation with spinal cord injured and brain trauma in my place, I would say about 50 percent. Now you can imagine it is not the easiest history to get, but about 50 percent admit to it. I imagine that the others do not admit to it. It is a big problem.

I think in Illinois we have made the law stricter and in Maryland they are doing a fantastic job in respect to this. I think the law should be very, very strict. If a drunk driver kills somebody in my family I would feel just the same way as if he took a gun and shot them.

Senator DANFORTH. If we had tough drunk driving laws and if we had passive restraint laws——

Dr. BETTS. You would cut the epidemic to practically nothing or appreciably lower the problem.

I think the figures are so staggering and the proof so evident that if you do not nitpick the figures you can see that a gigantic population is going to be saved I cannot think of anything more cost effective.

I do not know how many more cost-effective things come before the Congress in a day than this. I do not think very many.

Senator DANFORTH. Doctor, thank you very much for being here.

Dr. BETTS. Thank you.

[The statement follows:]

STATEMENT OF DR. HENRY BETTS

Last year 52,600 people died on the Nation's highways. Two million more were seriously injured. Cost to society: $39.3 billion. Lifetime costs for a 26 year old person left a paraplegic from a motor vehicle crash have been estimated at over

$600,000. The human costs to a family left devastated by such waste is immeasurable.

You have all heard such rhetoric. This country rises in fury when a commercial airplane crashes and kills its 200 or so passengers, and yet at least that number are killed every weekend on the roads and streets of this land. We all accept this occurence as inevitable.

I do not believe that I as a physician can blithely accept this point of view. The problem is enormous but, if we address it logically there is something we can do.

There are several areas of mutual concern I would like to discuss and briefly outline how I believe the medical and governmental communities can work together for a safer America. Although the problem is epidemic, it is not insurmountable. However, it must be treated like the public health problem it is.

Addressing first the motor vehichle crash and going to its major cause, I should like to discuss drunk driving. Conservative estimates put alcohol related motor vehicle crashes at 50 percent of the total yearly number. That would mean 26,000 deaths last year because someone at the wheel had had enough alcohol to impair his or her perception of the road and the general driving conditions to cause a crash.

What can we do? Alcohol treatment centers have not worked. Public information has not worked. Where are the answers?

I believe that some of the answers lie in much stronger, much more consistently enforced DWI (Driving While Intoxicated) laws and a higher legal drinking age. In order for such laws to be passed or enforced however, there must be a joining together of the medical, legal and law enforcement communities to support such legislation.

I believe strongly that the doctors, by lending their support not only in their practices, but by their willingness to give up their time to become politically involved can be expert witnesses in legislative hearings, and can also be strong lobbying voices for legislative change.

Clearly, this is an area which must be mutually confronted by the government. You have the power and the expertise to see some of these inadequate laws changed. As in the case of the miserable "implied consent" laws previously existent in my home state, Illinois, there has been a strong movement underway to change these laws which married the legal, medical and law enforcement people in the state. 1982 should see many more adequate laws in place because of the efforts of these groups.

As a physician treating the severely disabled, I have seen just about every kind of injury imaginable. Some cannot be categorized. A great many can, however. Approximately 50 percent of the trauma related injuries seen yearly at the Rehabilitation Institute of Chicago, the largest rehabilitation and spinal cord center treating the physical disabled, are the result of motor vehicle crashes. At least 60 to 80 percent of these would have been prevented or significantly diminished if an occupant restraint had been used.

This is a public health epidemic where there is a known and readily available cure. But Americans do not use thier seatbelts; do not put their children in child passenger restraints.

A baby, now 1½ years old, was released last summer from Children's Memorial Hospital in Chicago after spending her first year of life minus 18 days, in the intensive care unit there. In her first car ride after coming home from the hospital, she was being held lovingly in her grandmother's arms in the back seat of a car. Her grandfather was carefully driving that car down a city street at 30 miles per hour. In one horrendous moment, a car, driven by a drunk woman, crossed the median line, and struck the car in which the baby was riding. The grandfather, the grandmother and the baby's older brother were not severly injured. The baby, however, was virtually crushed by her grandmother's arms. The child suffered a brain stem contusion, leaving her totally paralyzed, unable to move, breathe or eat for herself. The cost of her hospital stay was $400,000. The cost to keep her alive at home: $6,000 per week. The cost of a federally approved car seat—$40 to $50.

Now you might say that the answer lies in educating the public about the risk of unrestrained children in cars, and about the fact that 90 percent of all fatalities, and 60 to 70 percent of all serious injuries could be prevented with adequate protection. Experience tells us however, that education alone simply has not worked. This is an area that clearly calls for legislation; not punitive legislation, but legislation written to inform parents and protect children. At this time 14 states in this country have child passenger laws in place, and many others have bills in some stage of passage. All of these laws are running counter to societal trends toward deregulation. And yet, we are seeing, in the case of Tennessee, the state with the first child passenger law, a 400 percent increase in the child restraint usage rate, and a signifi-

cant drop in deaths and injuries to the young child. This is an area where clearly the medical and governmental communities have an obligation to work together for the protection of our nation's children.

The logical extension of this thought, moreover, is in the area of adult occupant protection. Less than 10 percent of the people in this country wear seatbelts, and yet the National Safety Council's information indicates that "if all passenger car occupants used safety belts at all times, such use would save at least 12,000 lives annually by preventing ejection from the vehicle and reducing contact with the vehicle interior and other occupants."

Again, as in the case of child passenger protection, public education alone does not work. The experience of the countries with mandatory seatbelt laws tells us that it is only with such laws does usage rise significantly, and deaths and injuries drop. In a recent paper given by Dr. Gordon Trinca of the Royal Australian College of Surgeons to an International Symposium on Occupant Restraints held in Toronto, he states:

"There is now undisputed worldwide evidence that properly adjusted occupant restraints substantially reduce the severity of injury to vehicle occupants in road crashes."

The past decade has shown that an acceptable high wearing rate can only be achieved by mandatory wearing laws. A high wearing rate of 85–90 percent for drivers and front seat passengers has been maintained in Victoria ten years after laws were first introduced."

With the government moving toward deregulation of safety standards, I believe that this is an area to be seriously explored. You as legislators might ask the inevitable question, "but how can such laws be enforced?" The answer lies in working closely with law enforcement people from the beginning—making them partners in injury prevention.

The other question that arises is one of constitutionality. I cannot argue the fine points of Constitutional law with you, I can only say, that when a person chooses not to wear a seatbelt and is involved in a car crash resulting in spinal cord injury, the next six months of his life could be spent in acute and rehabilitation care with costs over $60,000. Who pays? Does that person have the constitutional right to ask that any of us, through higher insurance premiums or tax dollars pay for his stupidity?

I agree with the physicians and legislators of other countries—Australia, Canada, France, Israel, Japan and others—that mandatory seatbelt laws are viable and should be a concern to all those assembled here.

Another such example of law related medical problems is the problem of mandatory motorcycle helmet usage. With higher gas prices, more ordinary people are using two wheeled vehicles; all motorcycle riders are not hell's angels. In Illinois, since the helmet law was repealed in 1976, motorcycle related deaths have increased by 47 percent. Even taking into account greater numbers of motorcycles and mopeds on the road, this number is staggering!

In those states where helmet laws are existent, usage rate is higher and deaths are lower. According to a 1978 U.S. News and World Report article: "Fatalities in the 14 states that repealed their laws during 1977 increased 41 percent, compared with 21 percent in states that retained their helmet statutes. In the 15 states without helmet laws that report whether cyclists involved in accidents were wearing helmets, deaths among helmeted cyclists increased 20 percent between 1975 and 1977. But deaths of unhelmeted cyclists rose 169 percent in the same period." We cannot allow this carnage to continue. The time has come again to speak up for laws to prevent this public health problem.

The last area of concern I would like to mention briefly is the national movement to repeal the 55 mile per hour speed limit. As a physician concerned with the results of trauma, I would not be in favor of its repeal. A car can stop faster going 55 than 70 and a crash at lower speeds is potentially less devastating than one at a higher speed.

The problems I have discussed today are not new, nor the solutions that I have suggested either a panacea or innovative. What I am suggesting, however, is that the professionals with voices that are still heard in their communities actively challenge the status quo. To quietly accept, in fact condone, 52,000 deaths per year and not actively seek a cure for the disease causing those deaths is inexcusable. I would hope that you in government can join with me and my medical colleagues to eradicate, by law if necessary, the greatest killer and crippler of people under 44 years of age: the motor vehicle accident. Thank you.

Senator DANFORTH. The next witnesses are a panel—Joan Claybrook, Ralph Nader, Clarence Ditlow, and Constance Bartholomew.

I think before the panel begins, that is a vote bell now ringing on the floor, so I think I will just go on over right now and vote and I will be back in about 10 minutes.

[Recess.]

Senator DANFORTH. Miss Claybrook.

STATEMENT OF JOAN CLAYBROOK, PRESIDENT, PUBLIC CITIZEN

Ms. CLAYBROOK. Thank you, Mr. Chairman, for the invitation to testify today and I appreciate being able to come. I am the president of Public Citizen and the former Administrator of the National Highway Traffic Safety Administration.

I think the major issue that needs to be addressed in this hearing is whether or not the agency has evidence in terms of saving lives for doing what it is doing. This agency was formed on the presumption that science would be the major governing decisionmaker as to the actions of the agency and indeed there are a number of different achievements that have occurred in the last 15 years, all of which are being ignored in terms of the current actions of the agency.

First, and obviously most dramatic, is the issue of automatic restraints and the design of cars. This administration has declared war on motor vehicle safety standards and yet the agency itself and the GAO found that approximately 70,000 lives were saved between 1968 and 1980 by the motor vehicle crash safety standards at a cost approximately equivalent to an AM/FM radio and an exterior trim package on cars.

I see Mr. Peck today has changed the cost estimate for price of safety standards from what he said last week, from $350 up to $500 this week. He has changed his figures without explanation. In fact, the cost to the auto industry is something approximating $150.

The agency has never, other than for the bumper standard, looked at the learning curve and the inexpensive cost of putting in these safety standards year after year. They are using first-year cost, inflated by inflation since that early date in 1968 and 1969 when they were first adopted.

Second, on experimental safety vehicles and what is happening with small cars, most of the experimental safety vehicle program has been disbanded by the agency. But it is indeed required to be carried out under the statute, one of the few mandatory requirements of the statute.

The major effort for this next couple of years was going to be on small cars and because of funding limitations they are now working, as Mr. Finkelstein did tell you, only on component pieces and parts. The auto industry has always opposed that program because it shows what they could and should be doing.

Indeed, the vehicle that was designed in 1975, the minicar RSV, shows that you can have a small car weighing approximately 2,500 pounds that crashes without harm to the occupants, a 50-mile-an-hour frontal inside crash, that would achieve on the average 32-miles-a-gallon fuel economy. So it shows, contrary to Mr. Peck's suggestion that there are limits of technology and physics, in fact,

you can have small cars even smaller than that by far which do very well in auto crashes.

In terms of management and planning, the agency during my tenure produced three rulemaking plans which did in fact set the course of the agency's activities with a priority on saving lives based on the research knowledge we had at the time, and it governed all of the research and rulemaking activities of the agency.

The major two priorities that are pending in the agency—which Mr. Peck has ignored and is talking about in terms of research and not in terms of rulemaking—are side impact protection where 10,000 Americans are killed every year and pedestrian protection, where 9,000 Americans are killed every year.

Both of these standards are entirely feasible. The pedestrian one was issued as a notice of proposed rulemaking before I left. The side impact is an advanced notice. Both of them should have been issued in final form by this time.

The revocation of the visibility standard was ridiculous. It took 11 years to develop that standard. It was complex. Most of the vehicles on the highway meet it. The ones that do not are the Trans-Am and other hot cars and some sports cars, maybe 15 percent of the fleet.

There was also a requirement for reduction of tinting, which is very harmful for nighttime visibility, particularly for older drivers, and, of course, as our population ages that is even more important.

The post-1985 fuel economy standard that was issued as an advanced notice of proposed rulemaking has been abandoned and you will have another witness who talks about that, so I will not go into it in any detail other than to say that it certainly seems in the National interest to have long-term planning for the nation to reduce dependence on foreign oil, both in terms of our national economy and our national defense. Germany and Japan are certainly doing this. I do not see why it is something to be abandoned by the United States.

Additionally, all of the fuel economy technology assessment functions, you may be interested, Mr. Chairman, are being transferred to the Department of Commerce, so that they will no longer be carried out by this agency and they will not have the capability to actually do any work on fuel economy very shortly.

In terms of seatbelt use, you have already indicated your recognition and knowledge of the fact that seatbelt use advertising programs do not work. Indeed they do not, and I would only like to point out that if you had automatic restraints—primarily, obviously, airbags; I think they work the best—in all cars, in 1 year you would have—for example, in 1984 if you had airbags in every car you would have as many people protected in frontal crashes as you have who now wear seatbelts.

So it takes a very short period of time when you build technology into a vehicle to achieve your improvement.

The 55-mile-an-hour speed limit and motorcycle helmets, as Dr. Betts has already mentioned, are the other two major lifesavers in terms of the agency's existing programs, both of which are opposed and unattended to by this administration.

Finally, I would like to say with regard to scientific evidence that I agree that you do not need to do studies once you know what

works. In fact, we are there. We know a lot of what works. There does need to be scientific research, however, on some of the biomechanics areas in terms of improving vehicle safety. That, I hope, in the marking up of this authorization bill, that you will not ignore.

My statement additionally has a number of examples of areas where the agency has taken steps to exclude the public from knowledge or participation in the agency's programs which I also commend to your attention.

Thank you.

[The statement follows:]

STATEMENT OF JOAN CLAYBROOK

Mr. Chairman, members of the committee, thank you for your invitation to testify today at the Oversight Hearings on the National Highway Traffic Safety Administration. My name is Joan Claybrook. I am President of Public Citizen, and the former Administrator of the Agency.

In 1966, the United States Congress passed the motor vehicle and highway safety legislation to "reduce traffic accidents and deaths and injuries to persons resulting from traffic accidents." It was recognized during extensive hearings that the old slogan "the life you save may be your own" had no influence on the raging epidemic of death and injury on the highway. The Congress instead inaugurated a bold, new scientific approach to the problem.

During the 1966 hearings, there were endless complaints about the lack of adequate data; about auto research conducted secretly by the manufacturers, but not shared with the public; about the unnecessary hazards built into motor vehicles; about the lack of a central institution in the Federal Government to direct a full-scale effort to reduce death and injuries; about the lack of uniformity in driver licensing, speed enforcement, the definition alcohol-impaired, and so on.

After the new statutes were enacted in the Fall of 1966, the agency was organized under the direction of two scientists, Dr. William Haddon, Jr., M.D. and Dr. Robert Brenner, who designed the framework for the agency which persists until the present day. Great emphasis was put on research which would guide the operational programs. The research office was made a major section of the agency reporting directly to the Administrator. The agency was directed to search for an array of scientific remedies.

Particularly important also was the development of detailed data about the causes of crashes, deaths and injuries to help make effective decisions about which remedies to pursue, which work and which ones don't. In 1975, the agency created two basic data sources: FARS (Fatal Accident Reporting System, based on police reports and any other data available on every fatal crash in the U.S.); and NASS (National Accident Sampling System, which is based on statistically sampled data collected by accident investigation teams all over the U.S.).

The development of the Data Center was a major priority of the agency, absorbing approximately one-eight of the budget during my four-year term of office. One of the early products of the Data Center was information about the types of crashes occurring on the highway. We identified that approximately 55 percent of all fatal injuries occur in frontal crashes, the type of crashes where use of restraint systems can save thousands of lives. It was for this reason that the agency has concentrated for over a decade on development and installation of automatic, unobtrusive restraint systems, such as the air bag. Indeed, that identification of problem areas causing the death or injury of large numbers of people since the beginning has served as the basis for the priorities set by the agency for rulemaking as well as highway safety programs.

Evidence of the dominance of the scientific approach to the agency's work is found in the job descriptions, the grade levels, the types of individuals hired to manage and carry out this program. They include engineers, physicists, chemists, biomechanics experts, biologists, medical doctors, statisticians, economists, psychologists, attorneys, operations research analysts, and, for the highway safety program, some individuals with practical backgrounds in administering highway safety programs, such as in police and motor vehicle departments.

Until last year, the NHTSA was basically a nonpartisan technical agency. Through both Democratic and Republican administrations, decisions were scientifically based, and the overriding goal of reducing death and injury was seriously addressed. With the advent of the Reagan Administration, this basic philosophy

changed dramatically. Now, ideology, not facts, govern and the ideology of the moment is deregulation at any cost.

Two formats are being employed to achieve this inhumane goal. One is misuse of regulatory analysis and cost and benefit evaluations,[1] to suggest a lack of payoff in the vehicle regulatory program when, in fact, by all measurements it has been a smashing success and could be even more effective. The other is emphasis on actions to control human behavior, efforts which even if successful, which most are not, take generations to pay off. For many years, there was a mythology that controlling drinking or reckless drivers, for example, was the only way to prevent harm in auto crashes, but this presented an impossible task. Indeed, we have not been successful in controlling antisocial behavior in many of its forms, including excessive drug use, alcoholism, white collar or street crime, or reckless driving. More than 20 years ago researchers pointed out that we could prevent death and injury in a short time span through vehicle design changes even if we couldn't prevent most crashes from occurring. In 1966, the Congress agreed.

Examples of the abandonment of scientific decisionmaking in NHTSA actions abound:

The Reagan Administration has declared war on motor vehicle safety standards. Ignored is the fact that the GAO and the Department of Transportation found the motor vehicle crashworthiness standards have saved approximately 70,000 lives since they first took effect in 1968. These standards constitute one of the most important public health programs in the United States at a very minimal cost—approximately the price of an AM/FM radio and exterior trim package. Few other public health programs ever had such achievements.

Beginning in 1968, the NHTSA started researching and evaluating a new type of vehicle safety restraint called the air bag. For over 12 years now the agency has conducted extensive testing, design, evaluation, and accident investigation of research and production vehicles with these systems, under the leadership of John Volpe, William Coleman and Brock Adams. The current Administration has revoked that standard on the flimsiest basis ever used to justify any type of action on motor vehicle safety standards. The Reagan Administration stated that this standard, which is estimated to save 9,000 lives and many thousands of injuries each year when fully in effect, should be revoked because the Administrator predicts (with little evidentiary support) that the belt system the auto industry announced it would use to meet the standard would save few, if any, lives. This decision demonstates the ultimate rejection of the scientific approach to motor vehicle safety. Essentially, and auto industry press release was willingly used to revoke the most important vehicle safety standard ever developed. Obviously, if the particularly ineffective design chosen by the auto industry for compliance with the safety performance standard won't achieve its purpose, the agency should and could have amended the standard, not revoked it.

In early 1978, the NHTSA produced a rulemaking plan for the first time since 1971. It was a serious planning document developed over a four to five month period with the rulemaking engineers, the research scientists, and the economics and statistics staffs working in concert. It set the priorities for agency activity, focusing, of course, on the lifesaving potential of particular standards and the completion of a number of existing standards already underway. It was updated again in 1979 and again in the first week of 1981. The major priorities for the agency in motor vehicle safety rulemaking were the issuance of standards for side impact protection where some 10,000 American citizens are killed annually, and for pedestrian protection where some 8,000 to 9,000 American citizens are killed annually. Work on these two standards was initiated in 1978. In January 1980, an Advanced Notice of Proposed Rulemaking was issued for side impact protection and a public hearing was held with a unique presentation by the agency staff showing the need for the standard and the potential remedies which the industry could adopt, such as improved padding and vehicle structure. Additionally, a Notice of Proposed Rulemaking was issued for pedestrian protection in crashes of under 20 mph. It would result in major lifesaving and injury reduction. These two standards have laid dormant during the last 14 months. They are no longer an agency priority. Additionally, a new rulemaking plan has not been issued by the agency nor has any scientific justification been prepared of its current activities. Nor has the agency or the auto industry claimed that these critical vehicle safety standards were not technologically feasible. I would like at this point, Mr. Chairman, to submit a copy of the January 5, 1981 NHTSA Motor Vehicle Rulemaking Plan for the record.

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[1] The statute requires safety standards to be "practicable" and "objective," but does not require a balancing of costs against benefits since not all the consumer benefits can be quantified.

The Department revoked [2] the motor vehicle visibility standard stating it was issued at the "midnight hour" of the last Administration and the costs outweighed the benefits. In fact, this standard had been under development for 11 years by the agency and was virtually a no-cost standard to the automotive industry. It merely required that by 1985–86 some 15 percent of the cars today which don't already meet it be cleaned up so that its occupants can readily see traffic both frontly and rearward. It would have affected mostly the "hot" Trans-Am and other sporty cars which are heavily over-involved in crashes today. It would have also required a reduction in tinting of the glass to assist night-time visibility, a time when a large proportion of crashes occur. Reduction of tinting is particularly important for older drivers. This change would have been required primarily in General Motors' cars with limited luminous transmittance.

One of the early regulatory decisions by this Department was withdrawal of the Advanced Notice of Proposed Rulemaking for Post-1985 Fuel Economy. The agency ignored the historical reluctance of the automotive industry to significantly improve the fuel economy of their vehicles. As late as 1979, for example, General Motors and Ford were still pressing the agency hard to cut back on the standards then in effect for 1980–1985. The agency is also ignoring the massive programs now being developed by Germany and Japan (where most of the foreign competition to our industry originates) to vastly improve fuel economy of their cars between now and 1995. The concept behind the advanced notice was that the national interest requires long-term planning for the Nation to significantly reduce dependence on foreign imported oil. This issue is so critical to the national economy and the national defense that is should not be left to the vicissitudes of the marketplace to be determined. And it is critical to survival of a domestic auto industry, as we should by now have learned. As proposed, each level of the standards would have covered a range of several years so that the industry would have lots of flexibility in its planning to meet them.

Additionally, the agency has arranged to transfer all of its fuel economy technology assessment activities to the Department of Commerce, an agency disinterested and unprepared to foster this program. This is one of the key scientific sections of the agency's vehicle research office.

The motor vehicle safety statute requires the Secretary to conduct research by "procuring experimental and other motor vehicles or motor vehicle equipment for research and testing purposes." During the Ford Administration, the agency initiated a highly successful research effort to develop two new experimental safety vehicles to show that safety and fuel efficiency could be highly compatible in an attractive car. One involved making adjustments to a current production vehicle (in this case a 1976 Simca). The other required development of a brand new vehicle which would take a little longer to get into production, but which meets higher safety performance requirements and is more innovative in its design. These two vehicles show what the automotive industry could do if it treated safety as a priority. The more advanced vehicle, produced by Minicars, in Goleta, California, under the direction of a former GM research engineer, Donald Friedman, has shown in extensive testing in the U.S. and abroad that it can protect its occupants without significant injury in frontal and side crashes up to 50 mph, and at the same time achieve average fuel economy of 32 mpg. If all cars on the highway in 1980 met these criteria, we would have saved approximately 15,000 lives and cut in half the gasoline then being used. The Budd Co. estimated this vehicle in mass production would retail for $6,000 to $7,000. The automotive industry, of course, objected to the concepts and the public display of these innovative vehicles and with pavlovian response, the Reagan Department of Transportation has kept them hidden in its basement for the past 14 months.

After massacring the seat belt comfort and convenience standard, the agency announced it intended to focus its major energies and funding on "encouraging" voluntary seat belt usage as the way to save lives on the highway. In doing this, it has ignored all of the scientific evidence showing that both industry and Government programs of this sort in the United States and in many countries abroad have not worked. In fact, the agency has spent over $10 million dollars in belt research and promotion programs in the last decade. It has found that seat belt usage laws achieve significant usage; that the interlock system in 1974 models achieved a minimum 50 percent belt usage; that people who have a higher-than-average education, women and drivers of small cars are higher-than-average belt users. It has also found that most people complain that their failure to use belts eminates from the lack of comfort and convenience. All of these findings aside, the agency has decided

[2] This action is under challenge by the Center for Auto Safety.

to waste millions of dollars deducted from critical research and technology programs to experiment with different forms of seat belt use encouragement. In fact, it terminated a number of on-going and proposed research projects to fund this adventure. In the meantime, new cars are not being manufactured with improved safety systems, assuring an increase in death and injury on the highway in smaller cars. If air bags were installed in all cars in 1982, this would supply as much protection in frontal crashes as we currently have with existing seat belt usage. If they were installed in 1983 models as well, we would have more protection, and so on. With each new model year, the amount of protection would proportionately outstrip the current belt usage. This fact squarely contradicts the statements by the automotive industry and the current Department of Transportation that it takes longer to get occupant protection with installation of new systems than with encouraging use of current seat belts.

Trying to change behavior patterns regarding motor vehicle restraint use is important, of course, where there is no better alternative. The safety of child passengers illustrates the point. Cars are not designed to protect young children under age 6. Because they are best protected when using child restraint systems, the NHTSA worked strenuously beginning in 1977 for enactment of child restraint usage laws as the only way to rapidly assure adequate care. It has begun to pay off with such laws enacted in almost a dozen States. They have significantly increased child passenger protection and educated parents about the importance of child restraints.

After the 55 mph speed limit was enacted for energy conservation reasons, the Department conducted extensive evaluations of its safety payoff and encouraged the States to find innovative ways of using existing resources and manpower to better enforce this law which requires a substantial change in behavior and attitude among most drivers in the Nation. It is one of the few behavioral highway safety programs whose payoff can be measured and shown. It also enjoys broad public support although a persistent minority of drivers regularly exceed the speed limit. In addition to billions of gallons of fuel, this law saves some 5,000 lives each year, proving to be another major lifesaving program of the United States Government in cooperation with every State of the Union. The current Administration tolerates the 55 mph speed limit because it does not have the political clout to revoke it. The 1980 Republican Platform recommends its abolition.

The requirement for use of motorcycle helmets promoted by the agency for enactment into State law requirements in the late 1960's and early 1970's was based on scientific evidence showing that a head protected by a helmet could survive far greater blows than an unprotected head. Almost every State had enacted such laws when in 1976 the Congress revoked the Department's authority to penalize a State by withholding highway safety funds if they failed to enact such a law. Subsequently, more than 25 States have revoked their statutes. They agency took advantage of this unfortunate event to measure the effects of these revocations. An extensive report was sent to Congress in 1980 documenting the enormous lifesaving benefit of these helmet laws and the increase of more than 1,500 deaths of motorcycle riders since 1976, most of them attributable to revocation of the helmet laws. The current Administration does not favor any Federal encouragement or involvement in pushing the States to re-enact these great lifesaving provisions. Apparently, "the right to life" doesn't extend to most motorcycle riders, young males between ages 15 and 30.

In addition to ignoring the scientific evidence which it has already developed for enhancing its life-giving programs, during the past 14 months the agency has also attempted to either withhold or complicate acquisition of numerous different kinds of information which in the past have been readily available to the public.

For example:

The agency did not issue one press release concerning defect recalls until it was harshly criticized by the Detroit Free Press last August.

It attempted to undermine the distribution of the 1981 Car Book by recalling all of the public service advertisements which had been released just as the new Administration was coming into office.

Additionally, the agency has refused to publish the 1982 Car Book to make crashworthiness and other safety information readily and easily available on a widespread basis to the American public. The Administrator has criticized the the private publishers of the new version for failing to have enough 1982 model car crash information, but this is the agency's fault since it is many months behind schedule with its testing program. Instead of printing and distributing millions of Car Books, it has suggested that people should call and take notes over a Hotline or request complex computer printouts on an individual car rather than having comparative safety information available for them and their families. The number of citizens

who could be serviced by the present Hotline is far smaller than the potential users of the The Car Book.

It has never distributed a very important film developed in the winter of 1980 entitled, "The Price You Pay," which was filmed at the Rehabilitation Institute of Chicago. This film shows the trauma involved in the life of an individual who becomes a paraplegic as a result of an auto crash. This film was just being completed as the Administration took office with scenes being included to show the kinds of remedies which should be available to the public to prevent this kind of horrible tragedy.

The agency has refused to distribute a manual prepared for the medical profession called "An Ounce of Prevention." This 100-page document was prepared in draft form, critiqued by a number of doctors and was ready to be printed when the Administration took office. It has subsequently been edited to remove most of the information about the value of motor vehicle safety standards, but even so it has yet to be finally printed and distributed.

The agency at first refused to release research showing public preferences for built-in safety devices in vehicles and subsequently placed it in the public docket without notice.

It has not released a report completed at least a year ago analyzing the fatality data by make and model of car.

It has kept the experimental safety vehicles locked in the garage at the DOT building rather than making them readily available and showing them to the public. It refused to make an RSV in the California area available at no cost to the Government for a television program arguing that such an appearance was a commercial benefit to the program!

It is sending the agency's film library to storage so that it will not be readily available to the public.

A new librarian has not been hired, since the one who came to the agency when it started, retired last June. As a result, the Technical Reference Library is in some disarray and less able to serve the public than previously.

It has terminated the contract for xeroxing services which made it possible for the public, including the automotive industry, to get overnight service on documents in the public file. As a result, today it sometimes takes three or four weeks to get copies of materials.

Last summer, it illegally put a moratorium on distribution of all agency reports, but when challenged, removed this moratorium.

It has not issued a final rule on a Notice of Proposed Rulemaking for the printing of crashworthiness ratings on the windshields of new cars, even though the agency's own consumer information survey shows the public wants this information on the window sticker.

It has announced it will amend the Uniform Tire Quality Grading standard to remove some of its provisions. This standard, for the first time, gives consumers at the retail tire outlet comparative information on treadwear, traction and heat resistance by tire make and model so they can make intelligent purchase decisions.

"Highway Safety Literature", a basic listing of all literature produced around the world on the subject, has been discontinued. It was a major resource for research in this field. Some small amount of information will be published in a general transportation bulletin quarterly, but that will not replace this essential publication.

The plan to put titles of all the agency's motor vehicle and highway safety research reports on computer for easy access and current use has been abandoned, making millions of dollars of research vitually inaccessible to the public and researchers. Additionally, computerized searches of defect bulletins and consumer complaints has been curtailed.

Mr. Chairman, the record of the NHTSA in the last 14 months in undermining the safety mission of the agency will have the following effects:

By 1990, according to the NHTSA publication, "Traffic Safety Trends and Forecasts", October 1981, twenty thousand more Americans will be killed and thousands more injured each year primarily because of small cars built without available safety technologies.

Inflationary pressures will be added to the economy because with fewer safety standards, costs will be transferred from investments in new manufacturing jobs to much larger investments in medical care, unemployment, welfare, long-term hospitalization, rehabilitation, survivors' benefits, loss of earnings, insurance, and other real costs associated with the wrenching family disruption following deaths and severe injuries in an auto crash. In this regard, I would like to submit several news articles for the record.

Because most manufacturers will not build in important safety provisions without Government safety standards, the public will be denied the opportunity to invest their savings from improved fuel economy (an average of $2,500 to $3,000 over the lifetime of the 1985 car) in increased safety to prevent the horrible trauma of auto crashes. Air bags, for example, in mass production (two million units) are estimated by the suppliers to cost consumers about $180 per car. In November 1980, I sent each major manufacturer a ten-page letter suggesting numerous safety improvements they could make to protect against crashes that kill another American every 10 minutes and injure one every nine seconds, 365 days a year. Predictably, they have ignored these suggestions. (A copy is submitted for the record.) Unfortunately, the auto companies only rarely have installed a significant safety system in cars without issuance of a safety standard, and usually the company that takes this initiative is foreign-owned. Voluntary action for vehicle safety is not part of Detroit's vocabulary.

The Administration is discrediting cost and benefit and other analyses as politics continues to intervene. For example, the Administrator proclaims his priorities are "activities which have the most realistic prospect of success and which will result in the maximum safety gain per dollar invested." In fact, the actions that have been shown to save lives at a modest cost are being abandoned.

The ones being pursued by this Administration, while the initial investment may be less costly, in fact, have little realistic promise of success. Another example is the Administration boasting about its "save Detroit" proposals of April 1981, which fail to mention that foreign importers will get 25 percent to 35 percent of the benefits, approximately their share of the market, and almost half of the capital investment avoided for safety items would accrue to heavy truck manufacturers. There also is no guarantee, of course, that the short-term savings to manufacturers would be passed on to consumers, as has been implied. Without question, the increased costs of death and injury will be passed on.

The gap between the scope of the problem and the unused ability to produce effective remedies will continue to widen as the Government turns its back on safety innovations. Mr. Peck told the House Commerce Subcommittee that car safety design has reached the limits of ingenuity and the laws of physics. This statement is inept and wrong, as the agency's own experimental safety vehicles have vividly demonstrated. It indicates instead that the agency has initiated a growing credibility gap.

In summary, what this Administration refuses to acknowledge is that even if the industry is recalcitrant, the Government has a broader mission. As columnist George Will said several years ago. "Government exists not merely to serve individuals' immediate preferences, but to achieve collective purposes for an ongoing Nation. Government, unlike the free market, has a duty to look far down the road and consider the interests of citizens yet unborn. The market has a remarkable ability to satisfy the desires of the day."

Thank you.

Senator DANFORTH. Mr. Nader.

STATEMENT OF RALPH NADER

Mr. NADER. Thank you, Senator Danforth.

The mission of the National Highway Traffic Safety Administration is best illustrated by scenes from actual highway collisions where families, children, workers, elderly people every day find their lives destroyed or find themselves disabled. Unfortunately, congressional hearings are not often exposed to the eyewitness accounts or to victims coming to testify nor, of course, is the Department of Transportation.

Really that is what we are talking about—a program established by Congress to manage highway violence, to contain it and to prevent it as best modern technology can. We in this country find virtually no dissent from public health laws which require the vaccination of people, but when it comes to the vaccination of cars with modern safety technology there is a massive Reagan administration opposition.

We should remember that the standards of performance for any agency can be so grossly violated as to bring into question the very sinecure or tenure of those in office, from the Secretary of Transportation, Drew Lewis, down to Mr. Peck.

Those standards of performance have been so grossly violated that the record shows proposals or actual decisions which have terminated, rescinded or relaxed almost two dozen lifesaving standards, and virtually no work done in the cost savings standards area, a very great lethargy in the vehicle defect investigation area, the increased difficulty of getting information from NHTSA, including getting simple letters responded to, as Mr. Peck alluded in a kind of anticipatory testimony this morning.

For almost 1 year he has been saying he will respond to our inquiries. I finally wrote him another letter in December. He keeps postponing it, although verbally he is quite amiable and conciliatory.

The policy of the Reagan administration here is one to reinstate the voluntarism, the traffic safety establishment behavioral approach, and to reject or destroy the most proven approach of all, which is mandatory safety standards utilizing engineering and other standards to save lives.

The proof has been in the engineering. It has been in mandatory standards. The greatest success of the highway safety and auto safety laws have been in two areas: One, mandatory engineering standards for vehicles, starting in 1967 and, two the mandatory speed limit, the 55-mile-per-hour standard for drivers.

Those are the standards that have worked. I have no evidence that the other approaches will work. They are going to divert needed funds from engineering and scientific programs in the agency into exhortation programs for seatbelt use.

Now they may come upon an applied social science principle that will change human behavior and there should always be attempts to do that, but not at the expense of destroying or replacing the engineering approach and not at the expense of camouflaging what they are doing and not doing even in a behavioral approach, which is simply to waste money and not to even try to find out what works.

In one particular area, Mr. Chairman, to test Mr. Lewis and Mr. Peck, I said well, what do you think about using the Government's procurement power. The Government buys almost 30,000 automobiles a year, and if you include State and local governments you are up well over 100,000 vehicles. Why not condition the purchase of those vehicles by saying they want passive restraints or that they want side protection?

This will set a model. Not only will it save Government disability payments and the other economic and human costs of accidents but it will set a model for the rest of the country and start a cascade of engineering modification of other cars.

Secretary Lewis and Mr. Peck early in 1981, the spring of 1981, said that they were very favorably disposed to considering this. You know, it was not a regulatory approach—forbid the word—it was a procurement approach. Nothing happened month after month.

I finally decided to do some of Secretary Lewis' work for him. I met with Secretary Weinberger, Under Secretary Carlucci, his assistant, Mr. Long, and the Director of the General Services Administration, Mr. Carman. They were very openminded about it, but still, apart from a few telephone calls, Mr. Peck has not sat down with them. He has stated he will in the next 2 weeks.

I would like to submit for the record the letter I wrote to Secretary Weinberger pointing out that the Department of Defense in the early 1950's found out that there were more Air Force men being killed on the highways than in Korea and began supporting auto safety research.

I would also like to submit for the record [1] a list of the private corporations who responded to the Department of Transportation's request in 1977 and said that they would be willing to buy cars for their fleets with airbags.

You can see it is a very extensive list. I think it totals about 50,000 cars with dozens of corporations saying that they would be interested in buying such cars. Mr. Peck never knew about this until I brought it to his attention and he reveled in it in a temporarily excited way.

I would like to also insert for the record the description of an airbag crash in Utah last year where an 81-year-old woman and her daughter were saved when they collided into a tank truck. It is a little description kind of humanizing the issues that we talk about. For the record.

Senator DANFORTH. Your material will be included in the record.

I am going to have to cut you off. The problem is that unless we can get unanimous consent on the floor, which we are trying to get, under the rules of the Senate we have to terminate the hearing at noon. In addition to this panel there are still four more witnesses who have to testify.

Mr. NADER. I hope, Mr. Chairman, that you will ask Secretary Drew Lewis to testify on NHTSA matters. He is the principal person in charge of the Department and you will get much further, I think, in your declared purpose of trying to make this lifesaving program work if he comes up to testify and you ask him about his statement in early 1981 when he said he expects no more auto safety standards to be issued under his tenure, and he repeated it before Congress in John Burton's committee in May 1981 over at the House of Representatives.

It is very important to get the top, most responsible person in the Department to answer for, in my judgment, a very disgraceful performance, a very cruel and coldblooded performance that has led to destruction of this auto safety program.

[The articles referred to follow:]

JANUARY 14, 1982.

Hon. CASPAR WEINBERGER,
Secretary of Defense,
Washington, D.C.

DEAR SECRETARY WEINBERGER: Pursuant to my conversation last month with you and Assistant Secretary Lawrence Korb, I am setting down more formally my recommendation concerning DOD's possible initiative for greater automobile safety.

[1] The list was not reproducible and is in the committee files.

Put most plainly, the DOD is in a position to start a chain of consequences which could save hundreds of thousands of highway casualties by service personnel and civilians. What is required is an unconventional brand of leadership, having a proven historical precedent, producing the use of a technology—air bags—which protects important conventional values—safety and reduction of economic waste.

Some thirty years ago, the Department of Defense sponsored crash test research by Colonel John Paul Stapp and several University scientists. The results of this work were useful in building the case for motor vehicle safety standards in the Sixties. (See attached)

Today, a not dissimilar situation prevails which invites DOD Initiative Two. Air bag technology has been ready for mass production for a decade, even by auto company standards. Indeed, cars produced in the early Seventies with air bags are still on the road and experience in crashes has over and over again proven the value of this automatic restraint (see attached). During the past decade, companies such as Allied Chemical, The Eaton Corporation, Thiokol, Talley Industries and others have shown their confidence in air bag systems by wanting to produce them in mass volume. In mass production, the cost of air bags would permit a price at retail to not exceed $200, according to some suppliers. Insurance company estimates have been lower by a considerable margin. No safety system, not yet in vehicles, has such a broad constituency of industry, safety, medical, insurance and governmental support.

Unfortunately, the air bags have fallen prey to the auto companies' pressure for de-regulation. This was not always so. In 1970, GM President, Edward Cole, wrote the Department of Transportation to declare that one million GM cars in model year 1974 would be equipped with air bags and that by 1975 all GM cars, vans and light trucks would have such equipment. In 1977 Mr. Cole, then retired, urged mandatory federal standards for automatic passive restraints. Sadly, FMVS 208 was rescinded by the Department of Transportation in October 1981. NHTSA Administrator, Raymond Peck, stated at that time that he would buy an air bag equipped vehicle.

Regulatory policy aside, Mr. Peck has informed me on two occasions of his interest in the prospect of procurement policy by the government achieving wider deployment of air bags. This, of course, means GSA and DOD. In our brief discussion, you indicated that you did not want to proceed contrary to the Administration's policy. That policy is restricted to regulatory not procurement issues. As far as I know, moving forward on a procurement basis would find a congenial response from DOT.

In 1964 Congress enacted legislation that led GSA to expand its safety specifications for motor vehicle procurement. This set the stage for the 1966 motor vehicle safety law. The enclosed letter which I sent to Senators Ribicoff and Sasser in 1977 contains, in part, points that are relevant to DOD safety-through-procurement potential. The assumption of the letter was the compatibility between helping the government and helping people outside of government.

Any analysis by DOD of the safety and economic desirability of using procurement buying power to further air bag use should include both internal and external or exemplary results. DOD data indicate the loss of 900 personnel in privately owned vehicles (off duty military) and 20 fatalities in government-owned passenger vehicles every year. The broader population universe at risk is affected by a toll of over 50,000 fatalities per year and many more serious injuries. As small car volume increases, the casualty level, according to DOT studies, will increase sharply.

Here is the suggested sequence from acorn to oak tree. DOD takes the initiative which leads to GSA taking the initiative which leads to state and local government police and non-police fleets taking the initiative which leads to corporate fleets (e.g. insurance companies) taking the initiative in stipulating air bag deployment within purchasing specifications. Air bag suppliers are now saying they can offer retrofit packages at around 400 dollars per vehicle. If this bears out, the number of vehicles that could benefit rises five to eight fold or more. Retrofit capability changes the benefit calculus significantly.

In a meeting with Under-Secretary Frank Carlucci, I raised the issue of employing procurement buying power to advance both DOD efficiency, innovation and beneficial civilian spinoffs. He was quite interested and a followup meeting with his designated specialist is expected.

For many organizations, established priorities are often so preoccupying of officials' time that they serve to inadvertently prejudge adversely the launching of otherwise desirable programs. I was encouraged by your response that you would give the proposal outlined above careful consideration. The saving of tens of thousands of lives and the prevention of hundreds of thousands of injuries worldwide every year can become a reality owing to a large dose of foresight, a measure of clear determi-

nation and the grasping of a lever with gigantically humane consequencies. For once a critical mass of vehicles possess air bag technology, a momentum will start that cannot be denied. So explicitly visible is the working of the air bag to save lives in a crash and so amenable to insurance premium discounting and other socio-economic factors that a relatively short running start by DOD can lead to the adoption of these safety systems as standard equipment. The process is contagious but it requires the spark.

Should you or your associates wish more information, please note our readiness to assist.

Sincerely yours,

RALPH NADER.

MIRACULOUSLY SAVED BY AN AIRBAG

On the morning of April 21, 1981, Mrs. Lawana Hansen and her 81 year old mother drove away from her home in Sandy, Utah enroute to Twin Falls, Idaho. As Mrs. Hansen drove her 1975 Oldsmobile northward on I-15 in Salt Lake City, her car was suddenly sideswiped by another vehicle, causing her to lose control of her automobile. Her car swerved uncontrollably across the median and struck a loaded gasoline tanker almost head on. Shattering glass and crushing metal . . . a crash that would normally have been fatal to the occupants.

However, Mrs. Hansen and her mother were not killed, but seriously injured in the crash. Mrs. Hansen suffered a ruptured spleen and a broken leg. Her mother's injuries were a broken leg and other minor injuries. The accident was so severe that investigators were amazed that both women lived . . . yet, they survived . . . How?

Fortunately for the two women, but totally unbeknownst to them, their car was equipped with air bags. Upon impact the air bags deployed miraculously cushioning the women from the force of the crash that would otherwise have killed them.

This sentiment is echoed by police and accident investigators. State and local police—who had never encountered an air bag crash—said it is highly unlikely the women would have survived the crash without air bags.

Accident investigators later estimated both vehicles were traveling about 50 MPH, resulting in a closing speed of about 100 MPH. In almost every other instance, such a crash would have been fatal to the occupants of the automobile, certainly older occupants.

According to Mrs. Hansen's husband, he had purchased the Olds as a used car and was completely unaware the vehicle was equipped with air bags. The car was one of about 10,000 air-bag equipped cars built by General Motors during the early 1970's. Consequently, this story had a happy ending.

But GM no longer offers the consumer the opportunity to equip his new car with these lifesaving systems, saying they're too costly. In addition to the Hansens, there are countless others who can't understand why these safety systems aren't available today. With more than 50,000 Americans being killed on our highways each year, and hundreds of thousands being injured, these lifesaving devices should be available to any auto purchaser.

The time is now, Congressman . . . there is no legitimate reason for preventing Americans from equipping their new autos with air bags. Technical arguments against air bags have been refuted . . . air bags work and they work well . . . they save lives!

You have the duty and the right to protect our citizens from needless death and injury. You must speak for the people and demand that the auto companies build the safest possible cars. Failure of the DOT to enforce the automatic crash protection standard in a timely fashion will only result in continued deaths and injuries . . . and the Hansen's and others question will remain unanswered . . . "Why?"

STATEMENT OF CLARENCE DITLOW, DIRECTOR, CENTER FOR AUTO SAFETY, ACCOMPANIED BY CONSTANCE BARTHOLOMEW

Mr. DITLOW. Thank you, Senator Danforth. With me is Constance Bartholomew.

The National Highway Traffic Safety Administration is slashing safety programs with callous disregard for public health and welfare. There have been 21 new proposals to relax, rescind or terminate rules or rulemakings, 19 rules or rulemakings already relaxed, rescinded, or terminated. They have agreed to consider 13

auto requests to modify or reconsider existing rules. They have delayed or proposed to delay six more final rules and they have only issued two affirmative actions or rulemaking, both of which can be described as aberations from the deregulatory mission.

Where they have insisted on voluntary programs, such as passive restraints, it is a classic case of watch what we do, not what we say. In the 5 months since the decision in which Administrator Peck indicated he would be negotiating with the auto companies to get them to voluntarily put passive restraints and airbags in automobiles, we have seen no progress, even though former Transportation Secretary Coleman took only 30 days to reach agreements with the auto industry.

They are proposing to repeal standards such as the 5-mile-an-hour bumper standard, which 92 percent of the public supports. Sixty-eight percent of the public would pay more than $100 for the no-damage 5-mile-an-hour bumper and it would cost money to repeal that rule because you have to retool to put the lower bumpers on.

Only misplaced zeal for toting up repealed regulations can explain why the new NHTSA went after that standard like a frenzied pac-man after more targets.

In other areas they have terminated rulemakings such as low tire pressure warning devices—even though 60 percent of car tires are underinflated, the tire industry and EPA say that you could save $30 per year per vehicle, and the cost, according to the tire industry, is only $20.

In the safety defects and investigation area it is simply a question of neglect and concealment. There have been 21 defect investigations that were opened in the first year of the Carter administration versus 2 for the Reagan administration, 65 engineering analyses versus less than 20 for the Reagan administration in the same period of time.

The investigations that they are refusing to even consider opening, such as the X cars, where they have over 400 consumer complaints. Just how many consumer complaints does it take to get them to send an inquiry to a manufacturer to ask whether there have been any accidents, injuries, and deaths?

They failed to order a recall of Cadillac wire wheels, even though a defect had been shown. They have refused to reopen the Ford automatic transmission investigation, even though there have been nine fatalities since the warning label went out, two since I prepared my testimony last week.

Finally, I would like to point out and then turn to Miss Bartholomew.

Senator DANFORTH. You and Mrs. Bartholomew are sharing the same 5 minutes and you have already got the yellow light.

Mr. DITLOW. Senator Danforth, you asked me to cooperate with Administrator Peck when I testified in his confirmation hearings. I went down and I met with the gentleman. I have written to the gentleman. I have talked with his staff and yet we do not even have a single courtesy of a reply. How can you cooperate with an individual like that?

Thank you.

[The statement follows:]

STATEMENT OF CLARENCE M. DITLOW III, DIRECTOR, CENTER FOR AUTO SAFETY

Mr. Chairman and members of the committee, thank you for the invitation to testify on the safety and consumer protection programs of the National Highway Traffic Safety Administration (NHTSA). I am the Director of the Center for Auto Safety, a nonprofit consumer group founded by Ralph Nader and Consumers Union in 1970 and independent of both since 1972.

The performance of the present Administration in auto safety must be measured against the mandates of the National Traffic and Motor Vehicle Safety Act of 1966 and the successes of past administrations. Under both criteria, the present administration's performance is dismal. The mandatory vehicle safety standards and enforcement programs have increased the safety of the automobile by 25 percent and saved over 73,000 lives since 1966.[1] Despite the fact the agency projects a sharp upsurge of nearly 20,000 fatalities by 1990 due in large part to the increase in the number of small cars,[2] NHTSA has ground to a halt any new and improved standards in exchange for a massive rollback of present standards.

When Congress passed the 1966 Safety Act, it imposed significant new authority and responsibility in the Department of Transportation to mandate improved vehicle safety. This requirement of safe vehicle design added an extra dimension to auto safety efforts, which earlier had focused almost exclusively on modifying the behavior of the driver. As the primary architect of the 1966 Safety Act, Senator Abraham Ribicoff explained:

"[T]he automobile manufacturer has a part to play, taking into account that a human being is never going to be perfect. You are never going to train any of us always to do the right thing at the right time. . . . [S]ince human beings err, since drivers err, since drivers make mistakes, and they are always going to make mistakes, . . . automobiles should be built in such a way as to minimize the damage done." [3]

The reduction in traffic losses since 1966 have demonstrated the wisdom of Congress' judgment that the "creative energies and vast technology of the automobile industry" would produce significant safety gains.[4]

In clear violation of this Congressional mandate, the new NHTSA is abandoning mandatory improvements in vehicle design and performance for human behavior modification. The behavioral program is little more than a facade in paying for seat belt prayers in a Safety Sabbath and pushing Chinese fortune cookies with buckle-up slogans.

With callous disregard for the public's health and welfare, the new NHTSA is slashing enforcement programs and cutting safety standards. This decimation of vehicle safety can only lead to more deaths and injuries on the highways. Even if this saves Detroit and Tokyo a dollar in making a new car, consumers will pay far more in increased maintenance, accidents and other operating costs.

SAFETY STANDARDS

Since the Reagan Administration has taken office, the new NHTSA has proposed to rescind or relax or terminate 21 present or pending motor vehicle regulations; has already rescinded, relaxed or terminated 19 existing or pending regulations; has delayed the effective date of 4 final rules; has proposed to delay the effective date of 2 final rules; has agreed to consider 13 requests by auto to modify or reconsider existing regulations; and has issued only 2 notices of affirmative rulemaking on vehicle safety standards. The two positive actions by the NHTSA can only be considered abberations from its avowed mission of getting government off the back of the auto companies. The first was a notice of propsed rulemaking on crashworthiness ratings issued on January 22, 1981, but sent to the Federal Register by the Carter Administration. The second is a minor amendment to the windshield standard on abrasion resistance only after the major amendment requested by the Insurance Institute for Highway Safety had been denied.[5]

The following are three examples of action by the new NHTSA which indicates the full extent of its harmful action in existing and pending regulations.

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[1] DOT, "Traffic Safety Trends and Forecasts" (Oct. 1981).

[2] Id.

[3] Hearings on S. 3005 before the Senate Commerce Commission, 89th Cong., 2d sess. 47 (1966), serial No. 89-49.

[4] S. Rept. 1301, 89th Cong., 2d sess. 1 (1966).

[5] Attachment A is a summary of the NHTSA regulatory actions to date.

A. PASSIVE RESTRAINTS

In order to reduce occupant injuries and fatalities, the four previous Administrations had all agreed that passive restraints, either air bags or automatic seat belts, would have to be mandated. After years of deliberation and in view of the increased safety hazards of small cars, a Final Rule had been set which would require the phased introduction of passive restraints over the 1982–84 model years. The precise phase-in schedule had been adopted at the request of General Motors and approved by the U.S. Court of Appeals for the District of Columbia and the U.S. Congress when a Congressional veto had failed.

Even though these regulations would save 9,000 to 12,000 lives annually and prevent over 100,000 serious injuries, and would have saved consumers $10 for every $1 cost, the new NHTSA overturned the regulation on the flimsiest of excuses—the auto companies would meet the standard by a previously unknown type of automatic seat belt that was so easily and permanently detachable that there would be no increase in usage over the traditional manual seat belt. To reach this conclusion, the new NHTSA ignored the fact that a similar detachable seat belt used in the 1980 Chevette resulted in an increased belt usage of nearly 40 percent. Moreover, the new NHTSA could have simply amended Standard 208 to preclude the use of such easily detachable automatic belts if they really were such a hazard. This rescission of FMVSS 208 is presently being challenged by several major insurers, the United Auto Workers and a whole host of public health and consumer groups including the Center for Auto Safety.

In a classic case of watch what we do and not what we say, the new NHTSA has indicated it would engage immediately in a strenuous effort to get the auto companies to agree to voluntarily introduce air bags in a program similar to what former Transportation Secretary had done some five years earlier. After five months of not so stenuous negotiations, the new NHTSA has not yet announced the signing of a contract with a single auto company to produce optional air bags. And General Motors, the company with the most experience in air bags, has refused to participate. In stark comparison, former Secretary Coleman took only 30 days to sign up the major auto companies to a voluntary air bag program. The new NHTSA appears to be all talk and no action when it comes to getting safety technology on the road.

B. 5 MPH NO DAMAGE BUMPER STANDARD

Since the fall of 1979, new automobiles have come equipped with lightweight bumpers that protect against damage in 5 MPH crashes into fixed objects, the equivalent of hitting a similar parked car at 10 MPH. Fully 92 percent of the American public believes this level of protection is a good feature in new cars. And 68 percent of the public place the value of this bumper protection at $100 or more.[6] The auto companies admit that relaxation of this standard would result in a sticker price decrease of only $30 to $35. In the short run, there may be a price increase because the auto companies would have to spend $30 to $50 million to retool to put the poorer protecting bumpers on and take the better protecting bumpers off. Even without valuing items such as gas used in getting repairs and estimates for damaged cars and consumer inconvenience, the old NHTSA estimated the 5 MPH bumper standard would save consumers over $400 million annually.

Despite the overwhelming public support for 5 MPH bumpers and the demonstrated cost-effectiveness thereof, the new NHTSA has spent untold hours of government time paid for by the taxpayer to hold two public hearings, produce 100 page regulatory analyses, and require high-paid auto and insurance company lawyers to produce reams of documents at a cost that will eventually be paid for by consumers. Only a misplaced zeal for toting up repealed regulations can explain why the new NHTSA went after this regulation like a crazed Pac-Man gobbling up more targets.

C. LOW TIRE PRESSURE WARNING DEVICES

In some instances, the new NHTSA has gone after a preliminarily proposed regulation before any information could be gathered on its costs and benefits and potential for safety improvements. A classic example of this kill it before we can identify it syndrome is the low tire pressure warning device proceeding. According to the Tire Industry Safety Council and the Rubber Manufacturers Association (both tire industry trade associations), 25 percent of the cars on the road have underinflated tires. Inflating these tires to the proper pressure could save 41 million barrels of petroleum each year and improve gas mileage by about 5 percent which would save

[6] Attachment B is a release summarizing the Insurance Institute study.

each motorist about $30 per year.[7] An EPA study of tire pressure in six cities confirmed the problem of underinflation may even be worse by finding that over 60 percent of vehicle tires are underinflated with an average underflation of 4.5 psi.[8] Over the 10 year useful life of a car, consumers could save $300 from improved fuel economy alone due to proper inflation of tires. In addition, proper tire inflation would increase treadwear and reduce accidents due to underinflation. Firestone Tire and Rubber Company is on record before the House Commerce Committee that over 4 psi underinflation in a radial tire is riding on the edge of danger.[9]

Despite this record of proven economic benefits to consumers and known safety hazards, the new NHTSA terminated this rulemaking before comments could be received and evaluated. In essence a judgment was made by the agency totally in the dark. If the rulemaking had been permitted to continue, then comments could have been received on inflation monitors that cost as little as $20/vehicle. During the course of Congressional hearings on the hazards of steel belted radial tires, Firestone reported that both it and the auto companies had developed low tire pressure inflation monitors that could be installed in production at a price of $30 to $40 per vehicle.[10] It is the very purpose of advance notices of proposed rulemakings (which this was) to evaluate the feasibility and need for effectively requiring such safety devices. The only conclusion that can be drawn from this is that the new NHTSA terminated the rulemaking in mid-course because it was afraid that the record, if allowed to develop, would lead to the inevitable conclusion that a new Safety Standard was required.

SAFETY DEFECTS AND INVESTIGATIONS

The new NHTSA's policy toward vehicle safety defects and investigations is one of neglect and concealment. The agency is opening very few investigations; is not requiring as much information to be submitted for the agency records; and is not publicizing defects and recalls in anywhere near the manner that all the previous Administrations did. In short, the new NHTSA's attitude seems to be that what you don't know, can't hurt you.

During the first fiscal year of the Carter Administration, the old NHTSA opened 21 Defect Investigations and 65 Engineering Analyses (a preliminary form of a defect investigation). In puny comparison, during the first fiscal year of the Reagan Administration, the new NHTSA opened only 2 Defect Investigations and no more than 20 Engineering Analyses. (A precise number for Engineering Analyses cannot be given because the agency has failed to release a list of pending analyses since August 18, 1981). Given the moribund start of the Reagan NHTSA, it is unlikely that the agency will come anywhere close to the Carter Administration's average of close to 150 Engineering Analyses and 15 Defect Investigations each year.

A. FAILURE TO OPEN INVESTIGATIONS OR ENGINEERING ANALYSES

One of the more glaring examples of NHTSA's inaction under the Safety Act is the agency's failure to investigate the premature failure of automatic and manual transmissions on 1980–82 X-cars (Chevrolet Citations, Pontiac Phoenixes, Oldsmobile Omegas, and Buick Skylarks). The Center has received more than 125 complaints from X-car owners relating to the premature failure and loss of reverse gear on automatic transmissions and/or the loss of reverse gear or suddenly popping out of gear while driving on manual transmissions.

Despite the fact that the agency has received at least 400 X-car owner complaints concerning automatic and manual transmission failure, both of which present a safety hazard, NHTSA has not yet opened either an investigation or an engineering analysis. Indeed, NHTSA has not even sent a letter of inquiry to General Motors seeking access to any similar complaints received by the manufacturer. The agency's flagrant denial of its lifesaving mission is all the more egregious in light of GM's own admissions concerning the quality and reliability of the X-car. As reported in a Detroit Free Press article last April, GM President F. James McDonald has acknowledged that the X-car "is not good enough to overcome the competition and the (buyer) perception that exists in the area of fits and finishes." Similarly, a

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[7] Attachment C are releases summarizing the associations' studies.

[8] "Costs, Benefits and Methods of Including Tire Inflation in State Vehicle Inspection Programs" (Sept. 1981).

[9] Hearings on Quality of Firestone Steel-Belted Radial 500 Tires Before the Subcomm. on Oversight and Investigations of the House Comm. on Interstate and Foreign Commerce, 95th Cong., 2d Sess. 304 (1978).

[10] Id. at 385

senior GM engineer confessed that "[t]he trouble with the X-car is that it was designed differently but not produced differently."

B. FAILURE TO ORDER RECALLS—CADILLAC WIRE WHEELS

The new NHTSA is failing to order safety recalls where former Administrations would have done so. General Motors sold over 12,000 1978–79 Cadillacs and a smaller number of Buicks with optional wire wheels whose spokes punctured the inner tubes and caused repeated tire failures on individual cars. After conducting an extensive Engineering Analysis, the NHTSA determined on November 19, 1980, "that a potentially serious safety problem may be developing" in these wheels and asked GM for any information to the contrary. After evaluating GM's response, the agency wrote GM on May 11, 1981: [11]

"We believe that this wheel contains an engineering defect which could have safety related implications and requires correction. . . . [T]he public may continue to drive until a sudden failure results with subsequent problems of vehicle control. . . . It is requested that GM review this matter and respond . . . within five working days . . . indicating what action GM intends to take."

Under the old NHTSA, this letter would have been viewed as one last chance to voluntarily recall the vehicles before the agency entered a defect finding. [The fact this is an Engineering Analysis versus a Defect Investigation is not controlling as the old NHTSA often went from an Engineering Analysis to a defect finding without going through a Defect Investigation.] Under the new NHTSA, GM wrote back with impunity:

"[I]t remains General Motors' position that the alleged failures, broken spokes or flat tires associated with the Dunlop Industries wire wheels . . . on the involved Seville and Riviera vehicles do not constitute an unreasonable risk to motor vehicle safety."

C. FORD AUTOMATIC TRANSMISSIONS

No case so well shows the refusal of the new NHTSA to protect the public from unreasonable risk of death and injury than the case of the 1966-early 1980 Fords with automatic transmissions that fail to hold or engage in park. Fatalities alone attributed to this defect have reached 154 with the vast majority of the victims being the very young or the very old, those least able to scramble out of the way of these killer Fords.

In March 1981, Ford mailed out warning labels to 23 million owners of Fords as part of an agreement with NHTSA to close the defect investigation on these transmissions. Even though the NHTSA knew that the transmissions were failing to hold or engage in park with many resultant accidents and injuries, the agency did not ask Ford about the ineffectiveness of the warning labels until August 27, 1981. And this was done only because Ralph Nader had petitioned the agency to reopen the invetigation based on the continuing accidents and deaths in these vehicles after the agreement to apply the warning label.

When the new NHTSA finally asked Ford for information on the ineffectivenss of the warning labels, Ford stonewalled the agency by refusing to provide much of the requested information and even reported to NHTSA that it had destroyed records on some 854 accidents reported to Ford by consumers since the warning labels were mailed out.[12] In a memorandum to Administrator Peck, NHTSA Associate Administrator Lynn Bradford candidly admitted: [13]

"Ford . . . has denied us supporting data that would assist in establishing a benchmark to use in determining the effectiveness of the program. Ford has also failed to comply with our broader request for allegations that a vehicle contains a defect in the park system or other expressions of opinion concerning the park system in Ford vehicles.

"These materials are ultimately essential to a review of the success of the warning label program."

When this memorandum was released by the agency, Administrator Peck took the unprecedented step of suspending Associate Administrator Bradford and two other agency employees before Transportation Secretary Lewis overruled him as to the propriety of his actions. This is just another example of the new NHTSA's attitude that only information favorable to the auto companies should be disseminated.

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[11] Copies of the relevant correspondence in the case are submitted for the hearing record files.

[12] Correspondence with NHTSA on the document destruction is attached for the files.

[13] A copy of the Bradford memorandum and Nader petition are submitted for the hearing record files.

The many faults of the warning label program are sadly summarized in the fatality of 66 years Evelyn Arrington of Rochester, N.Y. Prior to her fatal accident, Mrs. Arrington had complained about the tendency of the transmission on her 1968 Ford to pop out of park and had taken the car to the local Ford dealer to have it repaired. Relying on Ford Motor Company's instructions that there was no defect in the transmission, the dealer installed the warning label and sent Mrs. Arrington on her way to death. On August 21, 1981, she was killed when her Ford failed to hold in park and crushed her against the apartment house wall.

The Arrington fatality is just one of at least 8 known fatalities linked to this transmission since the warning labels went out. The gravity of this defect can be seen by the fact that of all the past recalls under the 1966 Safety Act, less than 1 percent have involved as many as 8 deaths. Until there is a recall, the deaths will continue to climb.

CONSUMER INFORMATION

In addition to the refusal of the new NHTSA to reissue The Car Book and its farcical subsitution of an understaffed Hotline, the new NHTSA has closed down or substantially impeded many other areas of consumer information. In all instances, the agency has substantially reduced the amount of vehicle safety information available to the consumer and prevented safety groups from getting the agency to carry out its mandated safety mission. These NHTSA actions include:

Refusal to grant access to printouts of consumer complaints as was granted freely in the past.

Failure to update the index of Engineering Analyses.

Lengthy delays in providing copies of investigatory files caused by termination of contract with outside copying company.

Refusal to answer letters from consumer groups.

Lengthy delays in providing access to agency files which used to be provided the same day. E.g., Engineering Analyses files now take two weeks to obtain and agency staff sometimes tell the public to file a Freedom of Information Act request.

Failure to provide copies of educational films on vehicle safety which used to be done by a contractor for only $20,000 per year.

Refusal to reprint any consumer publications for distribution by the Consumer Information Center.

Dropping of Consumer Support Packages which used to be sent out to consumer groups and members of the press on auto safety defects and recalls among other items.

Dropping of press releases on recalls until caught by press.

Conducting more defect investigations by phone calls and visits to auto companies so there is less of written record to document defects.

NHTSA's refusal to provide information freely extends even to areas where it says it will freely provide information. For example, NHTSA told Mrs. Ellen Baden of Columbus, OH that she had to pay $6.00/hour for research time to get crashworthiness information on a new Ford Fairmont. A school librarian from Livonia, MI, Graham Burrell, who asked for 250 copies of the 1981 Car Book never even got the courtesy of a response from NHTSA.

ATTACHMENT A—NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION RULEMAKING AND DEREGULATORY ACTIVITIES JANUARY 22, 1981 TO MARCH 15, 1982

The actions taken by NHTSA in the past sixteen months include: Proposals to rescind or relax existing rules or to terminate pending rulemakings: 21.

Actions rescinding or relaxing existing rules or terminating pending rulemakings: 19.

Proposals to delay the effective date of final rules: 2.

Delay of the effective date of final rules: 4.

Responses to manufacturers' requests to modify or reconsider existing rules: 13.

Affirmative safety proposals: 2.

NHTSA ACTIONS TO DATE

1. Crashworthiness Ratings. Proposed rule to require manufacturer testing and disclosure of vehicles' crashworthiness. (46 FR 7025, January 22, 1981.) The public comment period closed October 22, 1981. There has been no further action to date.

2. Theft Protection, Standard No. 114 (45 FR 85450, December 29, 1980); Hydraulic Brake Systems, Standard No. 105 (46 FR 55, January 2, 1981); Fields of Direct View, Standard No. 128 (46 FR 40, January 2, 1980); Occupant Crash Protection, Standard

No. 208 (46 FR 2064, January 8, 1981); Confidential Business Information (46 FR 2049, January 8, 1981): NHTSA granted General Motors' request to double the time period for manufacturers to file petitions for reconsideration of these five Final Rules. (46 FR 10969, February 5, 1981.)

3. Notice of Intent, to review for modification or deletion the following existing and proposed regulations:

1. Delay implementation of Standard No. 208, Automatic Crash Protection.

2. Review requirement that manufacturers install automatic occupant restraints to protect all front seat occupants beginning in Model Year 1983.

3. Modify the existing bumper standard requirements for uniform bumper heights and protection in 5 mph impacts.

4. Rescind the "Fields of Direct View" requirements for passenger cars, published January 2, 1981.

5. Terminate the rulemaking of "Fields of Direct View" for trucks, buses, and multipurpose vehicles.

6. Withdraw the Advanced Notice of Proposed Rulemaking on fuel economy standards for years after 1935.

7. Amend the Uniform Tire Quality Grading System regulation requiring manufacturers to test and grade tires for treadwear, traction and heat resistance.

8. Amend the regulation to eliminate most requirements for Seat Belt Comfort and Convenience.

9. Terminate rulemaking on safety problems of multipiece wheels.

10. Rescind the Standard on speedometers and tamper-resistant odometers.

11. Defer for one year the effective date of the theft protection Standard.

12. Downgrade the Hydraulic Brake Performance Standard for light trucks, buses and vans.

13. Terminate the rulemaking for low tire pressure warning indicators.

14. Eliminate requirements for consumer information about tire reserve load.

15. Terminate rulemaking on design testing of batteries to prevent explosions.

16. Reduce requirements for manufacturers' fuel economy reporting.

17. Change requirements for federal vehicle identification numbers, from a Standard to an administrative regulation.

(46 FR 21203, April 9, 1981.)

4. Occupant Crash Protection, Standard No. 208:

(a)(1) Proposed rule to delay for one year the effective date of the automatic restraint requirements (46 FR 12033, February 12, 1981);

(2) Final Rule to delay effective date (46 FR 21172, April 9, 1981);

(b)(1) Proposed alternatives to the automatic restraint requirements, including rescission of the entire Standard as it had stood since 1977 (46 FR 21205, April 9, 1981);

(2) Final Rule rescinding Standard 208's automatic restraint requirements (46 FR 53419, October 29, 1981).

5. Passenger Auto and Light Truck Fuel Economy Standards: Withdrawal of Advanced Notice of Proposed Rulemaking for post-1985 model years (46 FR 22243, April 16, 1981). Denial of Center for Auto Safety petition to reconsider (46 FR 48383, October 1, 1981).

6. Denial of petition for rulemaking to set standards for location of starter and accessory key positions (46 FR 22626, April 20, 1981).

7. Public meeting, to answer questions on NHTSA's rulemaking, research and enforcement programs, June 17, 1981, in Ann Arbor, Michigan (46 FR 22715, April 20, 1981).

8. Speedometers and Odometers, Standard No. 127: Final Rule delaying effective date for one year (46 FR 25463, May 7, 1981).

9. Consumer Information Regulations: Final Rule delaying for one year revised requirements for manufacturer reports of tire safety data to NHTSA (46 FR 29269, June 1, 1981).

10. Theft Protection, Standard No. 114: Final Rule, in response to industry protests, to modify requirements issued December 29, 1980 (46 FR 32251, June 22, 1981).

11. Fields of Direct View, Standard No. 128: Revocation of Standard for driver view through windshields and windows, in response to manufacturers' petitions for reconsideration (46 FR 32254, June 22, 1981).

12. Fields of Direct View, Standard No. 128: Termination of rulemaking for requirements for trucks, buses and multipurpose vehicles (46 FR 36873, July 16, 1981).

13. Headlamps and taillamps for motorcycles, Standard No. 108: termination of rulemaking for illumination at all times when engine is running (46 FR 32899, June 25, 1981).

14. Fuel System Integrity, Standard No. 301: Termination of rulemaking to establish performance standards for non-metallic fuel tanks (46 FR 38392, July 27, 1981).

15. Consumer Information Regulations: proposed amendment to permit manufacturers to modify preintroduction submissions of performance data on new vehicle models (46 FR 40541, August 10, 1981).

16. Consumer Information Regulations: Uniform Tire Quality Grading. Final Rule permitting tire grades to be molded onto tire up to six months after introduction of the new tire line (46 FR 41514, August 17, 1981).

17. Windshield Glazing Materials, Standard No. 205: Denial of petition for rulemaking, filed by Insurance Institute for Highway Safety, to permit windshields whose inside surface is plastic (46 FR 43351, August 27, 1981).

18. Windshield Glazing Materials, Standard No. 205: Final Rule to delete some abrasion resistance requirements (46 FR 43687, August 31, 1981).

19. Battery Explosions: Termination of rulemaking for measures to prevent (46 FR 43718, August 31, 1981).

20. Lamps and Reflective Devices, Standard No. 106: Request for comments about whether to allow smaller headlamp systems that might improve fuel efficiency and harmonize with international standards (46 FR 43719, August 31, 1981).

21. Termination of rulemaking for low tire pressure warning devices (46 FR 43721, August 31, 1981).

22. Public meeting, regarding the international harmonization of lighting and light signalling, September 8, 1981 (46 FR 43791, August 31, 1981).

23. Denial of petition for rulemaking to make steering column protection, Standards 203 and 204, inapplicable to cars providing automatic occupant crash protection (46 FR 44202, September 3, 1981).

24. Public meeting, to answer questions about NHTSA's rulemaking, research and enforcement activities, on September 23, 1981, in Ann Arbor, Michigan (46 FR 44333, September 3, 1981).

25. Denial of petition for rulemaking, filed by Physicians for Automotive Safety and Action for Child Transportation Safety, to amend school bus seating standard to require seat belts and higher seat backs (46 FR 45171, September 10, 1981).

26. Fields of Direct View, Standard No. 128: Reconsideration of earlier Revocation, after petition by Center for Auto Safety (46 FR 46604, September 21, 1981).

27. Consumer Information Regulations: Revocation of tire reserve load information requirement (46 FR 47100, September 24, 1981).

28. Impact Protection from Steering Control System, Standard No. 203: Response to GM petition, and proposed rule to relieve current limitation on the amount of force on steering column during test crashes (46 FR 48260, October 1, 1981).

29. Bumper Standard: (a) Alternative proposals to amend the Part 581 Bumper Standard to reduce impact speeds for testing from current 5 mph requirement (46 FR 48262, October 1, 1981.) (b) Public Meeting: October 22-23, November 12-13, 1981 (46 FR 48958, October 5, 1981.)

30. Lamps, Reflective Devices, Standard No. 108: Proposed rule to substitute one voluntary standard for another, in response to Motor Vehicle Manufacturers Association (46 FR 50396, October 13, 1981.)

31. Lamps, Reflective Devices, Standard No. 108: Proposal to reduce luminous lens area on some stop and turn-signal lamps (46 FR 51793, October 22, 1981.)

32. Speedometers and Odometers, Standard No. 127: Proposed rule to rescind entire standard (46 FR 51788, October 22, 1981.)

33. Fuel Economy exemption granted to Volkswagen of America (46 FR 54453, November 2, 1981.)

34. Seat Belt Assembly Anchorages, Standard No. 210: Denial of Toyo Kogyo petition for rulemakings to exempt automatic belt systems from location requirements (46 FR 54391, November 2, 1981.)

35. Denial of petition for defect hearing on Chevrolet Malibu wheel bearings (46 FR 56973, November 19, 1981.)

36. Radar devices: speed measuring performance standards: termination of rulemaking (46 FR 46823, November 19, 1981.)

37. School Bus Body Joint Strength: Proposed rule for compliance by most maintenance access panels (46 FR 57939, November 27, 1981.)

38. Public Meeting to answer questions on NHTSA's rulemaking, research and enforcement programs, December 9, 1981, in Ann Arbor, Michigan (46 FR 57955, November 27, 1981.)

39. Rearview Mirrors, Standard No. 111: Proposed rule to change requirements for school bus mirrors (46 FR 60481, December 10, 1981.)

40. Odometer Disclosure Requirements: grant of General Motors petition and proposed rule to exempt from the requirements all manufacturer sales to federal agencies (46 FR 60842, December 10, 1981.)
41. New Pneumatic Tires, Standard 109: Final Rule deleting requirements of NHTSA publication of new tire size prior to introduction and sale (46 FR 61473, December 17, 1981.)
42. Hydraulic Brake Systems, Standard No. 105: Final rule to reduce parking brake requirements (46 FR 61887, December 21, 1981.)
43. Denial of Petition by Ralph Nader to reopen Ford automatic transmission defect investigation (47 FR 2538, January 18, 1982.)
44. Controls and Displays, Standard No. 101-80: Final rule to allow green high beam light indicator (47 FR 2996, January 21, 1982.)
45. Occupant Crash Protection test conditions, Standard No. 208: Proposed rule to reduce fuel level for tests (47 FR 4098, January 28, 1982.)
46. Occupant Crash Protection, Standard 208: Proposed rule to permit use of words rather than seat belt warning symbol in information read-out displays (47 FR 4541, February 1, 1982.)
47. Highway Safety Programs: Notice of proposed rulemaking and public meetings to determine which State and local programs are most effective (47 FR 5254, February 4, 1982.)
48. Denial of petition for defect hearing to determine whether SAAB had met its obligation to notify purchasers of safety defect (47 FR 6409, February 11, 1982.)
49. Speedometers and Odometers, Standard No. 127: Final rule rescinding the Standard (47 FR 7250, February 18, 1982.)
50. Occupant Crash Protection, Standard No. 208: Comfort and Convenience requirements: one year delay of effective date (47 FR 7254, February 18, 1982.)
51. Bus Window Retention and Release, Standard No. 217: Final rule, decreasing size of rear emergency exits for small school buses (47 FR 7255, February 18, 1982.)
52. Fuel Economy: interim final rules for petitions for relief from standards (47 FR 7245, February 18, 1982.)
53. Brake Hoses, Standard No. 106: Grant of petition by B.F. Goodrich Co. for changes in test procedure (47 FR 7293, February 18, 1982.)
54. Air Brake Systems, Standard No. 121: Termination of rulemaking to prevent inadvertent brake release in some school buses (47 FR 7292, February 18, 1982.)
55. Head Restraints, Standard No. 202: Request for public comments on evaluation of current head restraints (47 FR 7291, February 18, 1982.)
56. Consumer Information Regulations: Final rule to allow manufacturer to amend previously submitted vehicle performance information up until 30 days before new model introduction (47 FR 7257, February 18, 1982.)
57. Lamps, Reflective Devises, Standard No. 108: Proposed rule to allow alternative location for front lamps (47 FR 7711, February 22, 1982.)
58. Denial of petition for rulemaking, by Commonwealth of Massachusetts, re wheelchair restraint systems used in vans (47 FR 7713, February 22, 1982.)
59. Fuel Economy: Proposed rule revising form and contents of semi-annual reports by manufacturers (47 FR 7706, February 22, 1982.)
60. School Bus Passenger Seating and Crash Protection, Standard No. 222: Proposed amendment to increase seat spacing (47 FR 8231, February 25, 1982.)
61. Multipiece rims: Termination of rulemaking for performance requirements (47 FR 8232, February 25, 1982.)
62. Public Meeting to answer questions on rulemaking, research and enforcement programs, on April 7, 1982, in Washington, D.C. (47 FR 9313, March 4, 1982.)
63. Grant of 2 petitions for rulemaking by Mercedes Benz for redefinition of two measurements used in several safety standards (47 FR 9865, March 8, 1982.)
64. Denial of petition for defect determination of visibility problems in Volkswagen Rabbits (47 FR 10698, March 11, 1982.)

ATTACHMENT B—NATIONAL OPINION SURVEY ON BUMPER PROTECTION

Large majorities of Americans whose cars meet recently-adopted 5-mile-per-hour federal bumper standards say they like their cars' bumpers, like the protection the bumpers provide against crash damage, and place substantial dollar values on both the bumpers and the inconvenience of minor crashes they prevent.

These were the major findings of a national opinion survey released by the Insurance Institute for Highway Safety on the eve of a hearing into U.S. Department of Transportation proposals to greatly weaken the federal bumper standards. The hearing, at which an IIHS witness will show the results of new crash tests comparing 5-mile-per-hour bumpers with 2½-Mile-per-hour bumpers, is scheduled to begin

at 10 a.m. tomorrow in the auditorium of the Federal Aviation Administration in Washington, D.C.

The survey's principal results were as follows: 83 percent of the respondents said they were satisfied with their present car's bumpers; 70 percent said they knew the bumpers provided protection in collisions up to 5 mph; 92 percent said this level of bumper protection is a good feature of cars; $50 or more was the value placed on 5 mph bumpers by 85 percent of the respondents who were able to provide such a value in dollar terms; $100 or more was the value placed by 68 percent of these respondents; $100 or more was the value placed on the inconvenience of being in a "fender bender" by 83 percent of the respondents who were able to provide such a value in dollar terms; $200 or more was the value placed by 58 percent of these respondents.

The survey findings made clear that a majority of owners of cars meeting the bumper standards are aware that their bumpers give crash protection up to five miles per hour, believe that the bumpers in fact would protect against damage in minor accidents, and think that such bumpers are a good idea. (A few respondents even volunteered without being asked that bumpers should protect at higher speeds as well.)

Even when told that 5-mile-per-hour bumpers may "add to the cost of a car and may increase fuel consumption by up to 10 gallons per year"—an estimate much higher than the actual estimated fuel cost associated with such bumpers—a large majority still believed that the 5-mile-per-hour bumpers are a good feature.

And, when asked how much money 5-mile-per-hour bumpers were worth to them, 85 percent of respondents able to place such a dollar value said $50 or more. (A smaller majority, 68 percent, said $100 or more.) In late October, several auto companies testified that, if the 5-mile-per-hour requirements were eliminated or reduced, the companies would reduce the price of a new car by $30 to $35.

More than 90 percent of survey respondents able to place a dollar value on avoiding the inconvenience of low-speed crashes—such as missing work, filing insurance claims, and finding alternative transportation while the car is being repaired—said that avoiding such problems would be worth $50 or more. (A smaller majority, 83 percent, placed the "inconvenience avoidance" value at $100 or more.) DOT's National Highway Traffic Safety Administration has valued such inconvenience at only $26.

Copies of the complete findings are available from Ben Kelley at the Insurance Institute for Highway Safety.

Attachment C—Tire Industry Sets Up New Task Force To Promote Safety, Save Gas, With Right Air

Washington, D.C., December 1, 1977—The tire industry has formed a special high level task force to direct a massive new campaign for proper tire inflation as a way to save gas and promote highway safety, it was announced today.

The action was disclosed by Malcolm R. Lovell, Jr., President of the Rubber Manufacturers Association.

"We hope to secure the cooperation of the oil companies, the automobile manufacturers, equipment suppliers, government agencies and private safety groups in this important effort," said Lovell. "It will benefit everybody by conserving energy and making our streets and highways safer."

The new RMA "Task Force on Tire Inflation" is headed by Thomas E. Cole, RMA Vice President-Tire Division.

"We have three goals," Cole said. "First is to educate the motorist about the need and advantages of proper tire inflation. Second is to keep compressed air easily available to him. Third is to promote the use of on-board tire inflation indicators which will show when tire pressure is low."

The Task Force is made up of leading representatives of the tire companies which belong to RMA. It has been divided into five subcommittees to work individually with oil companies, auto companies, tire companies, government agencies and other "concerned" private safety organizations.

"We are going to carry the safety and economy message to every one of these groups, and seek their help," said Cole.

Government and industry surveys have shown that more than 25 percent of automobiles have seriously underinflated tires.

"This wastes money and endangers lives," Cole declared. "Properly inflated tires can add up to five percent to your gasoline mileage. They also give longer treadwear. Underinflated tires run hotter, wear out faster, and are subject to early failure which can cause an accident."

WHO NEEDS INFLATION

Washington, D.C.—Inflation, who needs it?

You do, says the Tire Industry Safety Council. The reference is not to the culprit that takes huge chunks out of your paycheck, but to the correct amount of air pressure in your automobile tires—one of the most neglected areas of a motor vehicle.

"Proper inflation is the most important rule in tire safety and tire and gasoline mileage," says Council Chairman Malcolm R. Lovell, Jr. "American motorists could save at least 41 million barrels of crude oil a year—enough to last the nation for two days—if they would only inflate their tires properly with free air."

Industry experts say properly inflated tires can add five percent to gasoline mileage because they roll easier. "That amounts to about an extra mile per gallon or a savings of about $300 dollars a year for the average motorist—plus it makes his tires last longer," Lovell said.

Other organizations agree that inflation is important.

"Correct tire pressure is necessary for safe driving, good tire mileage and responsive steering," says the U.S. General Services Administration in its consumer publication "Car Care and Service." "Buy a good tire gauge and learn to use it; air towers at service stations are frequently incorrect," the GSA adds.

Inflation is usually the first item stressed by various agencies that have researched tires. For example: "Maintain proper tire inflation pressure," says Council of Better Business Bureaus in the beginning of its pamphlet "Tips on Tires."

"The correct amount of air is the cheapest service you can give a tire, and it will do the utmost toward extending its useful life," says the National Tire Dealers and Retreaders Association in another publication. "Underinflation by 4 to 12 pounds can cut tread life by 10 to 40 percent."

"More than one out of four cars has at least one seriously underinflated tire (four pounds per square inch or more below the recommended normal inflation pressure for the vehicle)," says the U.S. Department of Commerce in a tire use survey.

"Air towers at service stations are generally not accurate," the Commerce Department continues. "A motorist relying on a tower gauge will have only about 20 percent chance of getting within plus or minus one pound per square inch of the inflation he wants. A single point calibration of the tower gauge could decrease the error substantially."

"Check the air pressure in your tires every two or three weeks and before long trips," advises Lovell. "Some air escapes from all tires in a period of weeks.

"The correct air pressure can be found in your car owner's manual or on a sticker in the glove compartment or on the door post by the driver's seat. This is the pressure specified by automotive engineers to give your vehicle optimum traction and braking, easier steering, better cornering and longer life," he says.

Improperly inflated tires wear faster, reduce gasoline milegae and can make your car handle poorly on the road, Lovell also notes. "American drivers wasted approximately 800 million gallons of gasoline in 1976 due to underinflated tires," he said. "That's a loss of more than $480 million."

The Council offers these other inflation tips:

For long trips at turnpike speeds, increase inflation four pounds over the amount recommended by the vehicle manufacturer. But never exceed the maximum allowable air pressure marked on the sidewall of the tire. That's usually 32 pounds per square inch for passenger tires.

Don't reduce or "bleed" air presssure after hot weather driving or during long trips. Heat buildup is normal and the tires will cool down to their proper air pressure on their own.

Keep an air gauge in the glove compartment. With the advent of self-service gasoline stations, air pressure checks by an attendent are a thing of the past.

Erratic tread wear is another way to spot improper inflation. Rapid wear on the outer tread ribs indicates underinflation; excessive tread wear in the center of the tread is caused by overinflation.

CENTER FOR AUTO SAFETY,
Washington, D.C., March 25, 1982.

Hon. JOHN C. DANFORTH,
Chairman, Subcommittee on Surface Transportation, U.S. Senate, Immigration Building, Washington, D.C.

DEAR SENATOR DANFORTH: In a letter dated January 25, 1982, Transportation Secretary Drew Lewis declined to reopen the Ford automatic transmission defect investigation based on his determination that "[t]he evidence in NHTSA's possession

tends to indicate that there has been a substantial decline in the rate of accidents since the conclusion of the Ford warning label program on June 1, 1981." However, according to Ralph Nader's petition for reconsideration, filed with NHTSA Administrator Peck on February 17, 1982, Ford failed to produce several categories of information relating to the efficacy of the government-approved warning labels distributed to millions of Ford owners. (See Nader's Petition for Reconsideration, attached hereto.) Thus, as the agency itself has conceded, NHTSA has not considered materials "ultimately essential to a review of the success of the warning label program." (See October 16, 1981, Memorandum from Lynn Bradford, Associate Administrator for Enforcement, to Administrator Peck at 4, attached hereto.)

In light of the mounting deaths and injuries which continue despite Ford's label program, the Center for Auto Safety requests that you submit the attached questions to the Department of Transportation and the National Highway Traffic Safety Administration. For those questions relating to the data already within the agency's possession, NHTSA should be able to respond in time for the oversight hearing next week, or shortly thereafter.

Thank you for your interest and concern for the lives of millions of Americans who continue to face the risk of being killed or maimed when Fords fail to hold or engage in park.

Respectfully submitted,

SUSAN E. O'KEEFE,
Staff Attorney.

Mrs. BARTHOLOMEW. Mr. Chairman and members of the committee, thank you for the privilege of testifying before you today to express my outrage over NHTSA's acceptance of a warning sticker in lieu of a recall to correct the defect in Ford automatic transmissions.

I appear before you not only as a victim of a park-into-reverse accident and the mother of a child who has been permanently disabled by that accident, but as a concerned citizen who wants to spare other Americans the tragedy and suffering caused by Ford transmission failures.

The human suffering caused by the Ford transmission defect is not news to any of us, least of all Ford and NHTSA. As early as 1971 Ford was aware of the existence of this defect and although Ford corrected the defect with design changes in the 1980 model year, those of us who own or ride in a pre-1980 Ford continue to face the risk of death or disabling injury.

On the basis of an intensive 3-year long investigation, NHTSA concluded in June 1980 that all 1970 through 1979 Fords with automatic transmissions contain a safety defect causing it to slip unexpectedly from park to reverse.

Despite former Administrator Claybrook's plans to recall for repair at least 10 million of these defective vehicles, former Transportation Secretary Goldschmidt struck the deal with Ford. Rather than run a recall, Secretary Goldschmidt agreed to close the Ford transmission case provided Ford send out a 1-by-5 inch sticker to 23 million Ford owners advising them to follow these steps before leaving their cars.

One, make sure the gear selector is engaged in park. Two, set the parking brake fully. Three, shut off the ignition. It does not take an engineer to know that an adhesive label will not fix a design defect. Instead of a three-step warning, the sticker should read "You're next," to quote the barber's cliche. That this bandaid is no substitute for repair has been grimly illustrated by the deaths and injuries that continue since the warning labels have been distributed.

Since June 1981 when Ford concluded its warning label campaign, 9 lives have been taken by this defect, bringing the known death toll to a staggering 156. There have been over 23,000 incidences and 8,500 accidents.

Among the slain is 66-year-old Elizabeth Arrington of Rochester, N.Y., who complained to her Ford dealer about her slipping transmission. Rather than perform mechanical repair, the dealer stuck a Ford black-on-gray warning label to her dash and sent Mrs. Arrington on her way. Elizabeth Arrington was found dead on August 21, 1981, pinned between her running Ford and the wall of her apartment building.

Even more tragic is the death of Duanna Stevens, age 6, of Charlotte, N.C., who was stuck down and killed trying to escape from an unpowered 1969 Ford LTD which rolled out of park into reverse. This rollaway occurred despite the very fact that the child's mother reported that she had followed the very precautions on the warning label. She had placed the car in park, applied the parking brake and—note—turned the ignition off before leaving the car.

The deaths of Mrs. Arrington and Duanna Stevens are representative of 156 fatalities attributable to Ford transmission failures. Like over 80 percent of the fatality victims, these Americans were over 50 or under 8 years of age, those least able to scramble out of the way of a runaway Ford. So long as human lives continue to be lost and people continue to be permanently maimed, the recall of these lethal transmissions cannot be delayed.

The hurried bandaid solution negotiated by former Secretary Goldschmidt has not and will not restrain these Fords from leaving death and injury in their wake. In time the bandaid falls off and such is the fate of the sticker and its usefulness.

As the number of accidents continue to rise, the dirt under the rug continues to grow. Gentlemen, this is not a segregated problem. It has touched every city and State, without exception, of which you are their elected representatives.

I strongly urge you to require NHTSA to recall for repair the 16 million Fords subject to NHTSA's statutory recall authority in the hope that other Americans may be spared the suffering that my son and I and countless others have endured. These cars must be recalled without further delay.

Since I submitted my testimony there have been two more park-to-reverse fatalities.

Senator DANFORTH. Thank you very much for trying to speed up your testimony. Let me ask you all just one question and we do have to move on, I am sorry to say.

NHTSA has asked for $81 million. Should we give it more or what it asks for?

Ms. CLAYBROOK. Senator, I think the important thing in view of the different approach of this agency today would be for you to give very specific instructions to the agency as to how that money or whatever money you allocate is to be spent. I think that that is the major issue here.

Mr. Peck says one thing and does another.

Senator DANFORTH. Maybe we should just cut his money off.

Ms. CLAYBROOK. Well, then you are really cutting off your nose to spite your face in a way.

Senator DANFORTH. Well, it is not spite. I mean, if they are dismantling the traffic safety program maybe they are doing more harm than good.

Ms. CLAYBROOK. Well, I think that there is a reservoir of talent and capability in the agency. The problem is that the Administrator will not let it be exercised and I would hate to see the decision because Mr. Peck refuses to allow the agency to be properly managed and operated, that you assist him in that regard by not giving him any money to do it.

It seems to me much more effective an approach would be to give him specific instructions as to what is to be accomplished.

Senator DANFORTH. Thank you all very much.

Next we have Mr. John Gillis and Dr. Robert Williams.

Mr. Gillis, please proceed.

STATEMENT OF JOHN GILLIS, AUTHOR

Mr. GILLIS. Mr. Chairman, my remarks today concern the potential impact the consumer information programs can have on improving the safety and performance of automobiles and the action that NHTSA has taken in this area.

I believe that comparative consumer information can have more impact on improving the performance and safety of automobiles than any other single action NHTSA can take. In fact, in no other industry is comparative information more important than in the automobile industry, whose effect on our economic well-being and the public health of this Nation is unmatched.

The President himself, at the risk of sounding like Mr. Peck, who quoted Ralph Nader, said last January that "an informed and educated consumer is vital to the long-term health and growth of our economic system."

Secretary of Transportation Drew Lewis and the NHTSA have totally disregarded the President's astute evaluation of the tremendous value of comparative consumer information and thereby cast aside a program that would surely reduce the tragic toll automobiles take in our society.

I would like to briefly outline for the committee the impact consumer information programs have had on the safety of automobiles and describe the actions NHTSA has taken to ignore its responsibility to the Congress.

Both consumer and business leaders agree that healthy competition is the consumer's best protection in the marketplace. Ironically, these programs use the free enterprise system to solve the problems of the marketplace before imposing Government controls.

The research is replete with evidence that consumers do have a strong desire for safety information in the marketplace. While I have cited a number of studies in my written testimony that point to the tremendous demand for consumer information, the agency itself released a study last July in which it was clearly evident that comparative safety information would be extremely important in a consumer's choice of automobiles.

In addition to the research, one of the most significant examples of the importance of safety information are the dramatic shifts in

buying patterns caused by negative safety publicity on the Pinto, the Firestone 500, and the handling problems of the GM Corvair.

In the past months I have spent considerable time traveling throughout the country talking to consumers about automobiles and automobile safety. It is clear to me that the concerns of the average American closely parallel the research citing consumers' need for information. And this is no surprise when you consider the average price of a General Motors car is over $10,500 and if you consider that of all the purchases we are likely to make, the automobile is the one most likely to kill us.

In fact, the most dramatic example of the consumer's desire for this information is the unprecedented demand for the 1981 edition of "The Car Book."

Not only do consumers want this data but those responsible for selling automobiles want it. Fiat Motor Co., the Chevy dealers of New York City, Chrysler, J. Walter Thompson, the advertising agency for Ford, have all sought to use this data.

While the management at GM, Ford, and Chrysler have made it clear that they do not want consumers to have this information, those responsible for selling automobiles clearly see the tremendous benefit of this information in the marketplace.

The very presence of comparative consumer information has already been a powerful influence in improving the safety and performance of certain automobiles, the most striking example provided by the Honda Motor Co.

The Honda Civic initially failed the crash test. The company improved the vehicle so that in subsequent tests it became one of the best performers of subcompacts sold in America. Honda made these changes purely and simply because the crash test information was made available to the public.

Public information on crash tests has also stimulated changes by the Volvo Corp. and Subaru.

Senator Danforth, I think the automobile industry provides the most poignant example of the effect of requiring consumer information in the marketplace. In the early 1970's, while the automobile industry fought fuel economy regulations tooth and nail, the Japanese went back to the drawing boards and built the fuel efficient vehicles Americans wanted.

Despite the objections of the American automobile industry the American Government persisted and required the posting of fuel economy figures. One can only wonder where the American automobile industry would be today if they were not required to post fuel efficiency ratings in the open market.

Unfortunately, the same situation is repeating itself today. While GM and Ford spend hundreds of thousands of dollars opposing safety measures and the presentation of comparative information on safety, the Japanese are quietly and efficiently building safety into their small cars. Despite the current safety advantage of the American automobile, the Japanese may soon have a competitive edge in that area.

For this reason it is imperative that NHTSA proceed with vigor in implementing title II of the Motor Vehicle Cost Savings and Information Act.

I will sum up by saying that I think NHTSA has totally ignored the mandate given by the President in the last campaign to attempt to use the free marketplace to improve the safety of automobiles, and they have done so while their own figures predict a tragic rise in the death rate of the American automobile.

I think the NHTSA Administration is playing a tragic joke on the American consumer, and I respectfully suggest that this committee, before authorizing any expenditure of funds, have a definite plan from the agency for the implementation of title II before 1983. There is no reason why this should not happen.

Senator DANFORTH. Thank you very much.

Dr. Williams.

STATEMENT OF DR. ROBERT H. WILLIAMS, SENIOR RESEARCH SCIENTIST, CENTER FOR ENERGY AND ENVIRONMENTAL STUDIES, PRINCETON UNIVERSITY

Mr. WILLIAMS. My testimony is based largely on a report, "Toward an Automotive Energy Policy," which I coauthored with my Princeton colleague, Frank von Hippel, and which I request be entered into the hearing record by reference [1] as a supplement to my written testimony.

On the basis of many analyses and what has already been demonstrated in the field, it would appear practical and cost effective to increase the average fuel economy of U.S. light vehicles fourfold by 1995 from the 1978 level, to about 60 miles per gallon for passenger cars and 40 miles per gallon for light trucks.

In my written testimony I present considerable documentation of this assertion. This potential can be compared to the recent official expectation of future fuel economy. The most recent U.S. Government projection is that the average light vehicle fuel economy will rise to 30 miles per gallon for passenger cars and 20 miles per gallon for light trucks by the year 2000. The Government's projection is premised on the assumed absence of any Government effort to influence the decisions of automakers concerning the fuel efficiency of the products which they manufacture or the decisions of new auto purchasers as to what fuel economy to shop for.

Figure 2 attached to my testimony shows that such a laissez faire policy on the part of Government will lead to fuel economies of only one-half to one-third of what could be achieved without increasing the total cost of owning and operating a car.

This figure shows that the total cost of owning and operating a car is about 33 cents a gallon at 30 miles per gallon. At higher fuel economies this figure shows that the probable automobile price increases associated with the cost of fuel economy improvement would approximately offset the resulting savings in fuel costs. This means that above about 25 to 30 miles a gallon new car buyers cannot be expected to press hard for more fuel efficient vehicles, even though higher fuel economy would cost them no more.

Since it would take considerable market pressure to convince the automobile manufacturers of the necessity to spend tens of billions of dollars to retool to produce more fuel efficient cars, there is little

[1] The report is in the committee files.

reason to expect the average fuel economy of passenger cars to climb above about 30 miles per gallon over the next couple of decades.

If instead a transition were made to high fuel economy cars such that by 1995 the average on-the-road fuel economy were 60 miles per gallon and 40 miles per gallon for passenger cars and light vehicles respectively, the Nation would gain great benefits. U.S. imports would be reduced about 2 million barrels per day by the year 2000. The cumulative oil savings over the period of 1985 to 2010 would be equivalent to about 10 to 20 percent of total remaining ultimately recoverable crude oil resources in the United States.

A shift to high mile-per-gallon cars would also help put the U.S. automobile industry in a competitive position in the world automobile markets. It would bring significant downward pressure on the world oil price. It would make world economy much less vulnerable to supply cutoffs associated with political upheavals in the Persian Gulf. And it would give the United States and its allies considerably greater flexibility in conducting foreign policy than would otherwise be possible.

Since market forces are not able to bring about this transition, Government intervention in the marketplace is needed to foster a transition to high mile-per-gallon cars. The first public policy question that arises in this connection is whether NHTSA is doing its job.

Under current law, the Secretary of Transportation is empowered to amend, upward, the average fuel economy that has been congressionally mandated for model year 1985 or any subsequent model year to a level which he determines is the maximum feasible average fuel economy for such model year, subject to congressional approval.

In its report, "Analysis of Post-1985 Fuel Economy," NHTSA has made preliminary estimates of post-1985 CAFE targets for both passenger cars and light trucks and has thus done some of the groundwork for setting of post-1985 fuel economy goals that the Transportation Secretary is empowered to establish as new fuel economy standards.

Unfortunately, however, the NHTSA report is now 15 months old, has never been officially released, and there is no evidence that post-1985 standards are being formulated. In addition, the NHTSA fuel economy goals are far from the maximum feasible and must be regarded as very conservative.

The fuel economy improvements described involves largely technology that is already in mass production and because the conservatisms underlying the NHTSA analysis do not adequately take into account the national interest in improving fuel economy, NHTSA should be asked to hold a rulemaking hearing on post-1985 fuel economy goals to review the wide ranges of analysis that have been done.

In these hearings NHTSA should invite testimony on a range of 1995 CAFE targets of 40 to 80 miles per gallon for passenger cars and 30 to 50 miles per gallon for light trucks and use these discussions as the basis for establishing new post-1985 fuel economy standards.

I am not optimistic that NHTSA would respond to this challenge or if they did that they would come up with post-1985 fuel economy goals that would adequately reflect the national interest.

The responsibility may therefore fall upon Congress once more to set fuel economy goals. The need for aggressive action in this area is urgent, despite the prospect that the oil glut may continue for a while. We can expect substantial pressure on the world oil price sometime in the late eighties and we must be adequately prepared for this prospect now.

Delays in investments to reduce oil use will make it impossible to avoid another oil crisis in the period beyond 1985. Hopefully congressional leadership will help to turn the present widespread complacency about the energy problem into an appreciation of the current oil glut condition as a window of opportunity for minimizing the risks from major oil crises in the late eighties and beyond.

[The statement follows:]

STATEMENT OF ROBERT H. WILLIAMS, CENTER FOR ENERGY AND ENVIRONMENTAL STUDIES, PRINCETON UNIVERSITY, PRINCETON, N.J.

WHY GOVERNMENT INTERVENTION IS NEEDED TO BRING ABOUT A TRANSITION TO HIGH-MPG CARS

The testimony I shall present here is based largely on the report "Toward an Automotive Energy Policy," which I have coauthored with Frank von Hippel, and which I request be entered into the hearing record as a supplement to my written testimony.

I. THE POTENTIAL FOR SUPER-MPG CARS

Over the last two years it has become widely recognized that automotive fuel economy goals much higher than the 1985 Corporate Average Fuel Economy (CAFE) target of 27.5 mpg are both technically and economically feasible:

An April 1980 DOE analysis estimated maximum technically feasible CAFE targets for passenger cars to be 37 to 42 mpg by 1990 and 47 to 52 by 1995.[1]

A December 1980 CBO Study concluded that existing technologies coupled with market shifts to smaller cars could bring the average new fleet fuel economy to about 37 to 42 mpg by 1995, for an added average initial cost of about $560 per vehicle.[2]

A January 1981 NHTSA study concluded that CAFE targets for passenger cars of 40.5 mpg and 46.5 mpg are achievable by 1990 and 1995 respectively, and that for light trucks targets of 24–28 mpg and 25–30 mpg are achievable by 1990 and 1995 respectively.[3]

The June 1980 Transportation Task Force Report prepared for the SERI Solar/Conservation Study estimated that, using today's automotive technology, future new car fuel economies of 64–98 mpg could be achieved, depending on the mix of vehicles by vehicular size (see Table 1).[4]

A November 1981 Battelle Memorial Institute study has concluded that using today's technology it is practical to build a 100 mpg car that can carry 4 adults and their baggage comfortably, have all the safety characteristics of today's cars, have a

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[1] This estimate is for an engine mix with 40 percent of all cars having diesel or PROCO direct injection stratified charge engines. See "Summary of Post-1985 Automobile Fuel Economy Technology (and Corporate Average Fuel Economy Impacts)—a Preliminary Analysis," prepared by the Office of Conservation Policy and Evaluation, U.S. Department of Energy, April 30, 1980, pp. 229–235 in "Potential for Improved Automobile Fuel Economy Between 1985 and 1995," Hearing before the Committee on Energy and Natural Resources, United States Senate, Publication No. 96–123, Apr. 30, 1980.

[2] Congressional Budget Office, "Fuel Economy Standards for New Passenger Cars After 1985,'" Dec. 1980.

[3] National Highway Traffic Safety Administration, "Analysis of Post-1985 Fuel Economy," January 1981.

[4] "Conservation and Alternative Fuels in the Transportation Sector," report prepared by the Transportation Task Force for the SERI Solar/Conservation Study, June 25, 1980.

sticker price of about $6,000 (1981 $) in mass production, and have a 100,000-mile life.[5]

Volkswagen has already made major advances in fuel economy. The VW diesel Rabbi has a fuel economy of about 45 mpg. The possibilities for further improvement are suggested by a VW prototype which has somewhat more interior space than the Rabbit and which achieves 78 mpg. This prototype is hardly exotic. It has an advanced diesel engine, improved aerodynamics, a somewhat reduced weight (17 percent less than the Rabbit), and an engine-off flywheel-restart feature which eliminates idle fuel consumption. Other practical fuel economy related technologies such as a continuously variable transmission and regenerative braking with flywheel storage have not been incorporated into this prototype.

On the basis of many analyses and what has already been demonstrated, it would appear practical and cost-effective to increase the average fuel economy of new U.S. light vehicles nearly 4-fold by 1995 from the 1978 level—to about 60 mpg for passenger cars and 40 mpg for light trucks.[6 7]

II. CURRENT U.S. GOVERNMENT EXPECTATIONS FOR FUTURE AUTOMOTIVE FUEL ECONOMY

The most recent U.S. government projection for U.S. automotive fuel economy was made in the National Energy Policy Plan (NEPP) of the U.S. Department of Energy (DOE) in July 1981.[8] The NEPP projects that average U.S. light vehicle fuel economy will rise to only 26 mpg (30 mpg for passenger cars and 20 mpg for light trucks) by the year 2000.

The government's projection is evidently premised on the assumed absence of any government effort to influence the decisions of automakers concerning the fuel efficiency of the products which they manufacture or the decisions of new car purchasers as to what automotive fuel economy to shop for. Figure 2 shows that such a laissez faire policy on the part of the government will lead to fuel economies of only one half to one third of what could be achieved without increasing the total cost of owning and operating a car.

Figure 2 presents preliminary results of calculations which are still being refined quantitatively but whose qualitative message is not expected to change.[9 10] It will be seen there that, for a car purchased in 1981 and having a fuel economy of 30 mpg, the cost of gasoline (@ $1.50 a gallon)[11] amounts to only 15 percent of the cost of driving, taking into account all the costs incurred over the 6 year period that a typical car buyer owns a new car. Thus, even if one could at zero cost reduce automobile fuel consumption to zero, the maximum reduction in the cost of owning and operating a car achievable with fuel economy improvements would be 15 percent.

In reality, of course, one cannot reduce fuel consumption to zero, and many fuel economy improvements will increase the cost of the vehicle. Figure 2 shows that as a result, for gasoline @ $1.50 a gallon, the probable automobile price increases associated with the cost of fuel economy improvements would approximately offset the resulting savings in fuel costs for fuel economies in excess of about 30 mpg. We should expect that even this point, marking the beginning of the new car buyer's "valley of indifference," would not be reached in typical consumer decisions. Uncertainty about future fuel prices, consumer sensitivity to first costs, and consumer interest in factors other than economy (luxury, excess engine power, etc.), are among an array of "frictional factors" that tend to keep the consumer decision point on the low sloping part of the cost curve to the left of the bottom of the valley of indifference. This means that above about 25 mpg new car buyers cannot be expected to press hard for more efficient vehicles.

Will higher gasoline prices spur consumers to buy more fuel-efficient cars? While higher prices certainly help, extremely large price increases would be needed to gen-

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[5] Sherwood L. Fawcett (president and chief executive of the Battelle Memorial Institute), "The 100 MPG Car," in the Business Section of the New York Times, Nov. 22, 1981.

[6] For a discussion of the technical aspects of fuel economy improvements see Charles L. Gray, Jr., and Frank von Hippel, "The Fuel Economy of Light Vehicles," Scientific American, May 1981, pp. 36–47.

[7] For an extension of the technical analysis presented in ref. 6 and a preliminary analysis of the economics of building Super-MPG cars, see Frank von Hippel and Barbara Levi, "Automobile Fuel Economy: Why It Is Important, and Why We Need a Policy," paper presented at the International Conference on Energy Use Management, West Berlin, October 27, 1981.

[8] U.S. Department of Energy, "Energy Projections to the Year 2000," A Supplement to the National Energy Policy Plan, DOE/PE–0029, July 1981.

[9] The extra costs for various fuel economy improvements are estimated in ref. 7. The details of the calculations for the curves shown in fig. 2 are presented in ref. 10.

[10] Frank von Hippel and Robert H. Williams, "Toward an Automotive Energy Policy," draft Center for Energy and Environmental Studies Report, Mar. 4, 1982.

erate enough consumer pressure to force manufacturers to retool to produce 50–60 mpg cars. This point is illustrated again in Figure 2 for curve B, showing the cost of driving a car fueled with gasoline at $2.25 a gallon, corresponding to the price projected in the NEPP for the year 2000.[8] One sees that the result of this gasoline price increase would be to shift the consumer decision point from 25 to about 30 mpg, the fuel economy level projected for the year 2000 in the NEPP. Thus expected future gasoline prices will not create a significant demand for 50–60 mpg cars. This result should not be surprising. Gasoline prices have been in the neighborhood of $2 a gallon or more in Japan and several European countries for many years; yet the average fuel economy of Japanese and European passenger cars has been only about 24 mpg.

Since it would take considerable market pressure to convince the auto manufacturers of the necessity to spend tens of billions of dollars to retool to produce more energy efficient cars, there is little reason to expect the average fuel economy of passenger cars to climb above 30 mpg, over the next couple of decades. Certainly there is no evidence that U.S. manufacturers have higher ambitions than this. They are currently tooling up to produce by 1985 a passenger car fleet with an average on-the-road fuel economy of about 25 mpg, and they hope to be able to produce such cars for many years thereafter.

III. AN ALTERNATIVE VIEW OF THE FUTURE

If instead a transition were made to High-MPG cars, such that by 1995 the average on-the-road fuel economies of the fleets of new passenger cars and light trucks were 60 mpg and 40 mpg respectively, double what the NEPP has projected, the nation would gain great benefits.

As shown in Figure 3, U.S. imports with this alternative would be reduced 2 million barrels per day relative to the NEPP projection for the year 2000, and these annual savings would be worth some $50 billion, at the world oil price of $70/barrel (1981 $) projected for the year 2000 by the NEPP.[8] The cumulative oil savings over the period 1985-2010 would be 13 billion barrels—equivalent to 10–20 percent of remaining ultimately recoverable crude oil resources in the U.S.[12 13 14 15]

A shift to High-MPG cars is also essential if the U.S. is to be competitive in future global automotive markets. Table 2 shows that, under "business-as-usual" conditions, the non-Communist world's light vehicle fleet might double by the year 2000. With currently expected future automotive fuel economies, such as increase in the number of cars would increase light vehicle oil demand by about 2 million barrels per day (see Table 4a). For the same period, however the NEPP projects that oil supplies available to the non-Communist world will decline about 4 million barrels per day (see Table 3). It seems likely that the trend toward ever tighter world oil supplies will greatly limit future markets for new cars—unless a shift is made to High-MPG cars.

If the U.S. should play a world leadership role in shifting to High-MPG cars, it is very likely that most other major auto-producing nations would follow, out of fear of losing world automotive market shares.[16] Adoption of a High-MPG strategy worldwide would bring major benefits to all parties involved. Table 4a shows that the oil use by light vehicles in non-Communist countries would be reduced about 5½ million barrels per day in the year 2000. This reduction, equivalent to about 40 percent of projected Persian Gulf exports (see Table 4b), would bring significant downward pressure on the world oil price. It would make the world economy much less vulnerable to oil supply cutoffs associated with political upheavals in the Persian Gulf. This reduced vulnerability would in turn reduce the perceived need for military intervention in the Persian Gulf to attempt to control the outcome of internal power struggles there, and the associated risk of such intervention leading to a major war.

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[11] This is the gasoline price levelized over a 6 year period of first ownership, assuming NEPP projections of gasoline prices and a 10 percent real discount rate.

[12] Ultimately recoverable resources include proved, indicated and inferred reserves plus estimated undiscovered resources judged to be ultimately recoverable.

[13] The DOE's estimate of ultimately recoverable U.S. crude oil resources, as set forth in the NEPP, is 99 billion barrels as of Dec. 31, 1979 (see ref. 8).

[14] A recent RAND Corp. report (ref. 13) estimates there is a 90 percent probability that ultimately recoverable crude oil resources (as of December 31, 1979) exceed 61 billion barrels, a 50 percent probability that they exceed 86 billion barrels, and a 10 percent probability that they exceed 128 billion barrels.

[15] Richard Nehring, "The Discovery of Significant Oil and Gas Fields in the United States," Rand Report No. R-2654/1-USGS/DOE, January 1981.

[16] Even Communist nations would probably follow a Western strategy along these lines, since they import their automotive technology from the West.

Finally, this oil import reduction would give the U.S. and its allies considerably greater flexibility in conducting foreign policy than would otherwise be possible.

IV. THE NEED FOR GOVERNMENT ACTION

The enormous benefits that would result from a shift to High-MPG cars, makes such a shift an attractive social goal. But since market forces are unable to move the new car buyer's decision point beyond fuel economies of 25–30 mpg on the average (see Figure 2), government intervention in the marketplace is needed to foster a transition to High-MPG cars.

The first public policy question that arises in this connection is whether NHTSA is doing its job. Under Title V, Part A, Sec. 502.(a)(4) of the Motor Vehicle Information and Cost Savings Act,[17] it is specified that:

"The Secretary (of Transportation) may, by rule, amend the average fuel economy standard specified in paragraph (1) for model years 1985, or for any subsequent model year, to a level which he determines is the maximum feasible average fuel economy level for such model year, except that any amendment which has the effect of increasing an average fuel economy standard to a level in excess of 27.5 mpg or of decreasing any such standard to a level below 26.0 mpg shall be submitted to the Congress in accordance with Section 551 of the Energy Policy and Conservation Act, and shall not take effect if either House of the Congress disapproves such amendment in accordance with the procedures specified in that section."

In its report "Analysis of Post-1985 Fuel Economy" [3] NHTSA has made preliminary estimates of CAFE targets for both passenger cars and light trucks and has thus done some of the groundwork for setting post-1985 fuel economy goals that the Transportation Secretary is empowered to establish as new fuel economy standards. Unfortunately, however, the NHTSA report, now 15 months old, has never been officially released, and there is no evidence that post-1985 standards are being formulated.

In addition the preliminary NHTSA fuel economy goals are far from the "maximum feasible," and must be regarded as very conservative. The fuel economy improvements described involve largely technology that is already in mass production. Some of the assumptions made in the NHTSA report show just how conservative the NHTSA analysis is:

The MY 1995 passenger cars are relatively heavy, with an average inertia weight of 2544 lb. (down from 2891 lb. in 1985). The inertia weight of the VW Rabbit diesel is less than 2400 lb., and the 78 MPG VW Research Vehicle 2000, which has been described as being "between the compact and subcompact class," has a curb weight of 1730 lb.

No advanced engines are considered. In particular the report does not consider direct injection diesels (which are 10–12 percent more efficient than pre-chamber diesels), despite the fact that major Japanese and European manufacturers already have prototypes, nor does it consider direct injection stratified charge engines (e.g., the PROCO), which are comparable to direct injection diesels in efficiency but can use a variety of fuels.

The NHTSA report concludes that the targeted fuel economy goals could be met with a "business-as-usual" retooling investment schedule. Specifically the report states that "this level of fuel economy could be achieved by GM and Ford while being profitable and without having to borrow funds to finance the capital investments needed to further improve fuel economy (i.e., a neutral cash-flow condition signifying that investments could be funded by internally generated cash)."

Because these conservatisms do not adequately take into account the national interest in improved fuel economy, NHTSA should be asked to hold a rule-making hearing on post-1985 fuel economy goals, to review the wide range of analyses that have been done. In these hearings NHTSA should invite testimony on a range of 1995 CAFE targets of, say, 40–80 mpg for passenger cars and 30–50 mpg for light trucks, and use the discussions in these hearings as a basis for establishing new post-1985 fuel economy standards.

I am not optimistic that NHTSA would respond to this challenge or, if they did, that they would come up with post-1985 fuel economy goals that would adequately reflect the national interest. The responsibility may therefore once again fall upon Congress to set fuel economy goals.

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[17] This amendment to the Motor Vehicle Information and Cost Saving Act is set forth in title III: Improving Energy Efficiency, Part A: Automotive Fuel Economy, sec. 201, of the Energy Policy and Conservation Act of 1975.

Congress should not be content with goals based only on technologies that are already in mass production today—as is the case with the CAFE goals set forth in the CBO[2] and NHTSA[3] studies. The goals established should be a spur to technological innovation. In light of the facts that with commercially ready (but not yet mass-produced) technologies, fuel economies of up to 100 mpg are possible and that VW has already produced a prototype 78 mpg car, it would seem that a target average of about 60 mpg would be appropriate for passenger cars by 1995. If unexpected technological difficulties should arise in meeting such a goal, the goal could always be relaxed somewhat. It is always far easier to revise a goal downward, than it is to make mid-course upward adjustments, in light of the long lead times involved in planning for new cars.

Whether NHTSA or Congress establishes post-1985 fuel economy goals, a new automotive energy policy will be needed to assure the achievement of these goals. What is needed is a coherent and administratively efficient policy that adequately reflects the national interest in High-MPG cars, the financial plight of the industry today, the present need for austerity in federal budgets, and equity issues associated with any new scheme of taxation that might be needed to support such a policy.

One approach to a new automotive energy policy that deals with all of these issues is outlined in the paper, "Toward an Automotive Energy Policy," which I have coauthored with Frank von Hippel. We propose a "market-oriented" approach to bringing about a transition to High-MPG cars. The strategy is market-oriented in the sense that it is designed to adjust the prices consumers pay with taxes to include some of the "external" social costs of excessive oil imports. The central element of our proposal is a "fuel economy shortfall tax" levied against domestic and foreign manufacturers who fail to meet corporate average fuel economy improvement goals.[18] (Table 5 shows our proposed schedule of fuel economy improvements.) This tax would be supplemented by a program providing financial assistance to the ailing domestic automotive industry. The third element of our proposal involves a 50¢/gallon road fuel tax. Part of the revenues from this tax would be used to pay for the financial assistance to domestic auto producers; another part would be used for general, federal revenue-raising purposes; but most of the revenues would be rebated back to consumers.

The need for aggressive action in this area is urgent, despite the prospect that the oil glut may continue for a while. Recently, senior officials at the International Energy Agency (as well as many other analysts) have been warning that we can expect a substantial amount of pressure on the world oil price sometime in the 1980's and that we must adequately prepare for this prospect now. They fear that delays in investments to reduce oil use will make it impossible to avoid another oil crisis in the period beyond 1985.[19] Hopefully Congressional leadership will help to turn the present widespread complacency about the energy problem [20] into an appreciation of the current oil glut condition as a "window of opportunity" for minimizing the risks of major oil crises in the late 1980's and beyond.

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[18] One difference between the proposed tax and the civil penalty associated with the current law is that a tax is a normal cost of doing business, whereas a civil penalty leaves corporate directors and managers subject to stockholders' derivative suits aimed at preventing management from using stockholders' dividends to pay for management's breaking the law. In effect the levy of a tax instead of a civil penalty would "decriminalize" the failure to meet the corporate average fuel economy goals.

[19] Steven Rattner, "Energy Agency's Longer View," The New York Times, December 29, 1981.

[20] See Robert D. Hersey, Jr., "Winning the War on Energy: Are Energy Crises Over!" The New York Times, October 11, 1981; William Tucker. "The Energy Crisis Over! How We Beat OPEC." pp. 25–36, Harper's, November 1981.

Table 1. Fleet Average Fuel Economies for Alternative Vehicle Mixes, as Estimated by the Transportation Task Force of the SERI Solar/ Conservation Task Force

Vehicle Class	Projected MPG	Vehicle Mix (%) Today	Mix 1	Mix 2	Mix 3
2 - passenger	110	1.6	20	47	78
4 - passenger	78	35.4	50	35	15
5/6 - passenger and light truck	58	63.0	30	18	7
Average MPG for Vehicle Mix		64	75	84	98

Source: Table 5, p. II-174, in Conservation and Alternative Fuels in the Transportation Sector, report prepared by the Transportation Task Force for the SERI Solar/Conservation Study, June 25, 1980.

Table 2. Worldwide Oil Use by Light Vehicles

	Number of Vehicles (10^6)		Average Fuel Economy (mpg)			Oil Consumption (10^6 B/D)		
	1978	2000	1978	2000		1978	2000	
				Base Case	Target		Base Case	Target
U.S.								
Passenger Cars	103[a]	131[b]	14.1[a]	30[b]		5.5[a]	3.2[c]	
Light Trucks	25[a]	47[b]	10.3[a]	20[b]		1.6[a]	1.5[c]	
Total Light Vehicles	128[a]	178[b]	13.3[a]	26[b]	46	7.1[a]	4.7[c]	2.7[c]
Western Europe								
Passenger Cars	100[d]		24[f]			2.5[1]		
Light Trucks	6[e]		17.5[j]			0.2[1]		
Total Light Vehicles	106	189[g]	23.5	31[h]	46	2.7[1]	3.7[1]	2.5[1]
Centrally Planned Economies								
Passenger Cars	14[d]		24[f]			0.35[1]		
Light Trucks	7[e]		17.5[j]			0.25[1]		
Total Light Vehicles	21	73[h]	21.6	29[h]	46	0.6[1]	2.5[1]	1.6[1]
Rest-of-the-World								
Passenger Cars	67		24[f]			1.7[1]		
Light Trucks	28		17.5[j]			1.0[1]		
Total Light Vehicles[m]	95	276	21.6	29[h]	46	2.7[1]	5.8[1]	3.6[1]
World								
Passenger Cars	284[d]		19			10.1		
Light Trucks	66[e]		13			3.0		
Total Light Vehicles	350	716[f]	18	29	46	13.1	15.7	9.8

Notes

(a) Energy and Environmental Analysis, "The Highway Fuel Consumption Model, Fifth Quarterly Report," prepared for the Division of Conservation and Renewable Energy, Office of Policy, Planning, and Analysis, U.S. Dept. of Energy, November 30, 1981.

(b) Office of Policy Planning and Analysis, U.S. Dept. of Energy, "Energy Projections to the year 2000," DOE/PE-0039, July 1981.

(c) With light vehicles driven 10,400 miles per year on the average.

(d) Motor Vehicle Manufacturers Association, World Motor Vehicle Data, 1980 Edition.

(e) From ref. (d), assuming that 80% of all trucks and buses are light trucks.

(f) This estimate is based on the assumption that the number of light vehicles per adult outside the U.S. increases at an annual rate of 2% per year, 1978-2000. A recent global projection by Toyota Motor Sales Co., Ltd. (see Motor Vehicle Manufacturers Association, World Motor Vehicle Data, 1981 Edition) to the year 1990 is consistent with this rate of growth. The average growth rate in the period 1970-1978 was 4% per year per adult. The number of adults outside the U.S. (persons aged 15 and over), is projected to increase from 2.59×10^9 in 1978 to 4.07×10^9 in 2000 (see Statistical Abstract of the United States, 1978, p. 804 and 1980, p. 814).

(g) This estimate is obtained by applying the growth rate projected by Toyota Motor Sales for the number of light vehicles in the period 1978-1990 (2.2%/year) to the period 1978-2000.

(h) This estimate is obtained by applying the growth rate projected by Toyota Motor Sales for the number of light vehicles in Western Europe and the U.S.S.R. in the period 1978-1990 (3.8%/year) to all Centrally Planned Economies in the period 1978-2000.

(i) A common estimate for the average fuel economy of cars outside the U.S.

(j) The ratio of the fuel economies for light trucks and passenger cars is assumed to be the same as in the U.S.

(k) A 1/3 improvement in fuel economy is assumed by the year 2000.

(l) Light vehicles outside the U.S. are assumed to be driven 15,000 km/year (9300 miles/year), on the average.

(m) The distribution of light vehicles in the Rest-of-the-World in 1978 was as follows(see ref. d):

Country	No. of Light Vehicles (Millions)
Japan	31.6
Canada	12.0
Brazil	8.4
Australia	6.6
Argentina	3.6
South Africa	3.1
Venezuela	1.7
New Zealand	1.4
Others	26.6
TOTAL	95

Table 3. NEPP Projection of Oil Supply Available to the Non-Communist World (including Oil from Shale)[a]
(Million Barrels per Day)

		1980	2000 (Midrange Value)[b]
OECD Production			
	U.S.	10.2	9.6[c,d]
	Other	5.3	5.2
	Subtotal	15.5	14.8
OPEC Production			
	Persian Gulf	17.9	16.7
	Other	9.9	8.3
	Subtotal	27.8	25.0
Production in the Rest of the Non-Communist World		5.7	6.9
Net Exports of Centrally Planned Economies		0.9	-1.0
TOTAL OIL SUPPLY		49.9	45.7

Notes

(a) Office of Policy, Planning, and Analysis, U.S. Dept. of Energy, "Energy Projections to the year 2000," a Supplement to the National Energy Policy Plan, DOE/PE-0029, July 1981.

(b) For a world oil price (in 1981 $) of $70 a barrel, as measured by the refiner acquisition cost for crude oil imports to the U.S. For comparison the world oil price was $37 a barrel in 1981.

(c) This includes 1.1 million barrels per day of oil from shale but does not include 1.1 million barrels per day of coal liquids.

(d) The NEPP estimate of domestic petroleum production in the year 2000 (excluding oil from shale) is on the high side of various projections that have been made recently. The following shows how this estimate compares with recent estimates by the Office of Technology Assessment (Office of Technology Assessment, "World Oil Availability 1980-2000," October 1980) and by Exxon (Exxon Energy Company, "USA's Energy Outlook 1980-2000," December 1979):

Estimated Domestic Petroleum Production in the Year 2000
(Million barrels per Day)

	NEPP		OTA	EXXON
	Midrange	Range		
Conventional Oil	6.0	4.8 - 8.0	1.5 - 3.3	
Enhanced Recovery	1.8	1.4 - 2.4	1.5 - 2.5	
Natural Gas Liquids	0.7	0.6 - 0.8	1.0 - 1.25	
	8.5		4.0 - 7.0	6.3

Table 5. Target Average Fuel Economy Schedule[a]

(mpg)

	Passenger Cars[b]	Light Trucks[c]	Total Light Vehicles[d]
1982	23.8	16.6	21.7
1983	25.0	17.4	22.7
1984	26.2	18.2	23.9
1985	27.6	19.2	25.2
1986	29.2	20.2	26.6
1987	31.0	21.4	28.1
1988	33.0	22.7	29.9
1989	35.2	24.2	31.9
1990	37.9	25.9	34.2
1991	40.9	27.9	36.8
1992	44.4	30.2	39.9
1993	48.7	32.9	43.6
1994	53.8	36.1	48.0
1995	60	40	53.3

Notes

(a) The targeted fuel economy numbers for the years 1983-1995 are determined by subtracting each year the same constant number of gallons per mile from the previous year's fleet average level needed to bring the new light vehicle fleet average fuel economy in 1995 to 60 mpg for passenger cars and 40 mpg for light trucks.

(b) The targeted annual improvement is:

$$\frac{1/23.8 - 1/60}{13} = 0.00195 \text{ gallons per mile}$$

(c) The targeted annual improvement is 0.00271 gallons per mile.

(d) The fraction of passenger car vehicle miles is assumed to decline continually from 78 percent of total light vehicle miles in 1982 to 75 percent in 1995.

Figure 2

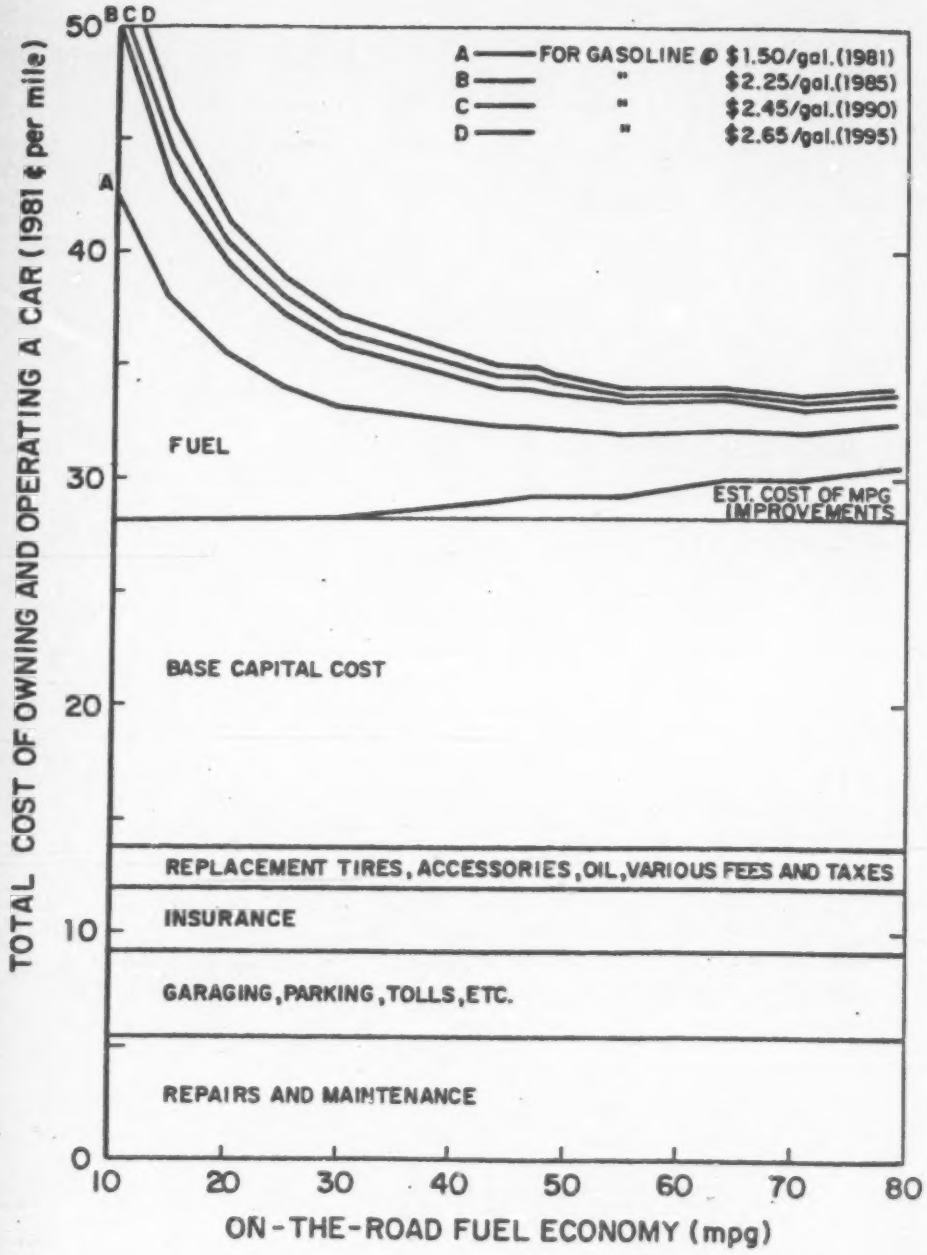
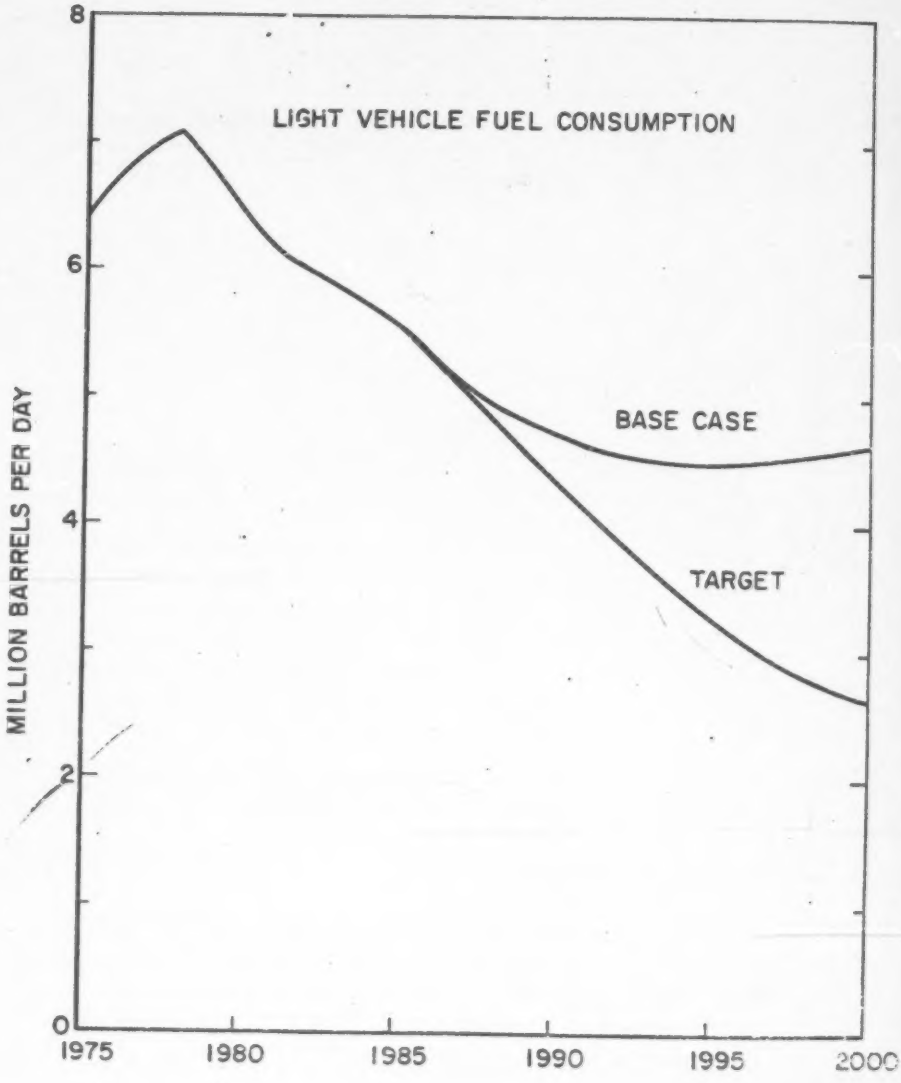

A —— FOR GASOLINE @ $1.50/gal.(1981)
B —— " $2.25/gal.(1985)
C —— " $2.45/gal.(1990)
D —— " $2.65/gal.(1995)
TOTAL COST OF OWNING AND OPERATING A CAR (1981 ¢ per mile)
ON-THE-ROAD FUEL ECONOMY (mpg)
FUEL
EST. COST OF MPG IMPROVEMENTS
BASE CAPITAL COST
REPLACEMENT TIRES, ACCESSORIES, OIL, VARIOUS FEES AND TAXES
INSURANCE
GARAGING, PARKING, TOLLS, ETC.
REPAIRS AND MAINTENANCE
0
10
20
30
40
50
60
70
80

Figure 3


LIGHT VEHICLE FUEL CONSUMPTION
MILLION BARRELS PER DAY
8
6
4
2
0
BASE CASE
TARGET
1975
1980
1985
1990
1995
2000

Senator DANFORTH. Gentlemen, thank you both very much.
The next witnesses are William Wilkinson and Earl Eisenhart. Mr. Wilkinson, please proceed.

STATEMENT OF WILLIAM C. WILKINSON III, DIRECTOR OF PROGRAMS, BICYCLE MANUFACTURERS ASSOCIATION OF AMERICA, ACCOMPANIED BY KATIE MORAN, EXECUTIVE DIRECTOR, BICYCLE FEDERATION; AND RALPH HIRSCH, LEAGUE OF AMERICAN WHEELMEN

Mr. WILKINSON. Thank you, Mr. Chairman. I would like to introduce Katie Moran of the Bicycle Federation and Ralph Hirsch of the League of American Wheelmen who are accompanying me today. I have introduced my full testimony into the record and I would just like to briefly summarize it.

Pedestrians and bicyclists account for nearly 20 percent of the highway fatalities each year. Over the years State and local efforts to reduce these fatalities have been supported by NHTSA's excellent research- and technology-sharing programs and, more directly, through the section 402 program.

Now, however, NHTSA appears to have turned its back on the pedestrian and bicyclist safety problem. Beginning with last year's administration bill, NHTSA proposed limiting the 402 program to a few select areas and did not include pedestrian and bicyclist safety.

Following hearings, this committee added pedestrian and bicyclist programs to the proposed list. Now NHTSA is again proposing to restructure the section 402 program, this time in response to the Omnibus Budget Reconciliation Act, and again has failed to include pedestrian and bicyclists safety. This time, despite the fact that all of the data included in NHTSA's NPRM indicates that pedestrian and bicyclist safety programs qualify for inclusion. No explanation has been given for this omission.

Mr. Chairman, we support efforts to make the section 402 program more efficient and more cost effective, but we do not believe that this goal is best achieved by such a limited list of priority areas. In our full testimony we offer several recommendations for modifying NHTSA's proposed procedures for the section 402 program.

At a minimum, we recommend the addition of pedestrian and bicyclist safety to the list of priority areas.

Thank you.

[The statement follows:]

STATEMENT OF WILLIAM C. WILKINSON III, DIRECTOR OF PROGRAMS, BICYCLE MANUFACTURERS ASSOCIATION OF AMERICA, INC., ACCOMPANIED BY KATIE MORAN, EXECUTIVE DIRECTOR, BICYCLE FEDERATION

Thank you, Mr. Chairman, members of the committee. I appreciate the opportunity to testify before this committee of the United States Senate. My name is William C. Wilkinson III, and I am the Director of Programs for the Bicycle Manufacturers Association of America, Inc. The BMA's members account for approximately 85 percent of the domestic production of bicycles. With me today is Ms. Katie Moran, the Executive Director of the Bicycle Federation, a non-profit organization whose purpose is to increase the awareness, acceptance and safe use of the bicycle as a mode of transportation. Ms. Moran is one of the country's leading experts on bicycle and pedestrian safety programs. She spent several years working for the National Highway Traffic Safety Administration (NHTSA) as a specialist in these areas.

Our concern today is with the Section 402, Highway Safety Program. Specifically, I would like to comment on NHTSA's proposed revision of the 402 Program and the treatment of bicycle and pedestrian safety.

NHTSA appears to have its own predetermined agenda for the Highway Safety Program and it seems clear that bicycle and pedestrian programs are not a part of it.

Last year, the Administration's draft legislation would have limited the 402 Program to 4 areas: alcohol, police traffic services (PTS), emergency medical services (EMS), and traffic records. Following hearings, this subcommittee amended the Administration's bill by adding a fifth area to the list: bicycle and pedestrian program. Meanwhile, NHTSA acted on its own to limit the scope of the 402 Program.

NHTSA issued guidelines for the States to use in developing their 1982 Highway Safety Plans. These guildelines were very specific, stating in part that:

"All allowable costs . . . must be directly associated with, or in support of the NHTSA approved program(s)."

The subsequent listing of "approved programs" limited the 402 Program to alcohol, PTS, EMS, traffic records, motorcycle safety, seat belts and child restraints.

The NHTSA has since claimed, repeatedly, that the States were not limited to submitting highway safety proposals in these areas (see Exhibits). However, this claim is not consistent with the opinions expressed by many State Offices of Highway Safety.

Although NHTSA has acknowledged that there may have been some confusion, they have attempted to use this misunderstanding to their own advantage. In the Notice of Proposed Rulemaking (NPRM), published in the Federal Register on February 4, 1982, titled, "Highway Safety Programs; Determination of Effectiveness," NHTSA notes:

"In order to minimize the adverse effects of . . . (reduced levels of funding) . . . on efforts to improve highway safety, the Administration in early 1981 proposed to focus near-term funding decisionmaking on four generic areas: alcohol countermeasures, police traffic services, emergency medical services and traffic records. . . . As implemented by the Department in its review of proposed State highway safety programs for this fiscal year, this initial determination of high pay-off potential was reflected to a large degree in the plans actually submitted by the States."

This should hardly come as a surprise given that the States were led to believe they had to spend their 402 funds in these areas!

The rule-making action referred to above is part of NHTSA's response to the congressional directives contained in the Omnibus Budget Reconciliation Act of 1981. Section 1107(d) of the Act directs the Department to "cause those programs judged to be most effective to continue to be eligible for Federal funding under the State and Community Highway Safety Grant Program (23 U.S.C. 402)." We do not believe that the proposal put forth in the NPRM accomplishes this end.

The NPRM shows that pedestrian/cyclist safety is viewed by the States as an important highway safety issue. Pedestrian/cyclist safety was one of the areas identified in the written comments to the Docket as being most effective. Likewise, the comments received from State Highway Safety Officers identified pedestrian/cyclist safety as an important concern of the States. Finally, in its review of previous 402 Program obligations, NHTSA noted that pedestrian/cyclist safety, along with traffic records, occupant protection and driver licensing, comprised the third largest group of 402 obligations in the fiscal year of 1981.

NHTSA states that the funding survey, the comments to the Docket, and "all available literature" were used by the agency in evaluating the Highway Safety Program Areas. These evaluations, "pointed to the programs identified in this notice as being most effective in reducing deaths and injuries." The areas indicated by NHTSA are alcohol countermeasures, police traffic services, occupant protection, emergency medical services and traffic records. What happened to pedestrian/cyclist safety?

Nowhere does NHTSA explain why these areas were retained while others, including pedestrian/cyclist safety programs, were dropped. Nor, we believe, does NHTSA respond adequately to the congressional directive to determine those state highway safety programs most effective in reducing accidents, injuries and fatalities. For instance, while no one questions the magnitude and severity of the alcohol problem in highway safety, it is equally true that many of the specific projects fostered by NHTSA through the 402 Program over the last decade have failed to have a real impact on this problem. We don't need NHTSA to tell us what are the problems, we need to focus on more effective countermeasures.

In the NPRM, NHTSA describes two alternatives for restructuring the 402 Program. We do not believe that either of these alternatives is desireable as stated. Al-

ternative 1 is far too limited and exclusive to provide the flexibility requested and needed by the States.

Alternative 2 would give broad authority to the States to allocate their 402 funds, however they desired, in the five national priority areas previously identified. This would be subject only to the most limited Federal review. The States could submit project proposals relating to other highway safety problems to the NHTSA for approval, but only by going through a much more laborious application procedure, which would likely smother any inclination a State might have to attempt an innovative program.

Given a choice between these two approaches, we would strongly support the selection of Alternative 2—but only if amended. A sixth priority area should be added: pedestrian/cyclist safety. It is essential that the 402 Program provide a ready means for the States to address the highway safety needs of pedestrians and bicyclists, who constitute nearly 20 percent of the annual highway fatality total. While this action would greatly improve the proposed implementation procedures, at least from our prospective, it doesn't go far enough to adequately provide for an effective National Highway Safety Program effort.

We do not believe that either alternative will do enough to address the real concern: the cost-effective use of highway safety dollars. We would like to recommend the following approach as "Alternative 3."

In its comments to the Docket on the NPRM (see Exhibits), the Bicycle Federation recommended that NHTSA not focus its attention on pressuring the States to spend most of their money in certain areas, but instead require them to fund either countermeasures proven to be effective or pilot tests and evaluations of innovative countermeasures. The 402 Program could be restructured as follows:

ALTERNATIVE

(1) Maintain the existing 18 standard areas.
(2) Eliminate any mandatory requirements in these standard areas.
(3) Develop a list of approved countermeasures.
(4) Approve State submitted projects which are on this list and which address State identified highway safety problems.
(5) Establish guidelines for the States to use in proposing the development, testing and evaluation of innovative countermeasures.
(6) Insure that the results of these evaluations are made available to other States, and are reflected in the list of approved countermeasures.

As Ms. Moran of the Bicycle Federation stated, "This approach will go much further in improving the effective use of highway safety dollars by tightening the restrictions on the types of projects that are funded instead of restricting the number of problems that can be solved."

In conclusion, let us not forget that approximately 1 out of every 5 people killed each year in highway related accidents is a bicyclist or a pedestrian. It is essential that the highway safety program, however it is restructured, provide explicitly for continued support of bicycle and pedestrian accident countermeasures.

Thank you.

Senator DANFORTH. Thank you very much, Mr. Wilkinson. Mr. Eisenhart.

STATEMENT OF EARL EISENHART, ASSISTANT TO THE EXECUTIVE DIRECTOR, AMERICAN ASSOCIATION OF MOTOR VEHICLE ADMINISTRATORS

Mr. EISENHART. Thank you very much, Mr. Chairman. The American Association of Motor Vehicle Administrators is pleased to testify at this hearing. I am Earl Eisenhart, assistant to the executive director of the AAMVA. I am here this morning on behalf of our president, Frank Mansheim, and our executive director, Don Bardell, both of whom were unable to be here this morning.

The American Association of Motor Vehicle Administrators has long felt that there is an urgent need to clarify an ambiguity that may exist in the National Traffic and Motor Vehicle Safety Act of 1966. We come before the subcommittee today seeking clarification of congressional intent on the role of the States in enforcing stand-

ards that are identical to the Federal motor vehicle safety standards, when the States have adopted such standards as their own laws.

Previous formal AAMVA comments to a 1980 House hearing, including suggested legislative changes, are appended to my full statement. The ambiguity we see as possibly existing stems from section 103(d) of the 1966 act, commonly known as the preemption section.

We acknowledge that the authors of the act clearly intended that the sale of new motor vehicles should not be constrained by 50 different standards, but what may be unclear in the act, and the accompanying legislative history, is whether the Congress intended to preempt the States from enforcement of after-market safety equipment which is sold in our States for use in or on cars that are operating on the public State highways—that is, cars which have passed the point of first sale.

The role of the States since passage of the act has been to a great extent one of enforcing State level safety standards which are identical to Federal motor vehicle safety standards and adopted as their own State laws. Concurrence in this role has been reflected by two NHTSA administrative interpretations, one formal and one informal.

The first Director of the Federal Safety Agency, William Haddon, Jr., M.D., in a 1968 letter stated:

> It seems clear from the way in which the State/Federal conflict problem is resolved that the act imposes no restrictions on State standards that do not deal with the same aspect of performance, or with the same vehicle, as Federal standards currently in effect. It should be further noted that the above section, 103(d), deals only with what State standards may be in effect and not the permissible extent of the methods of their enforcement.
>
> Had Congress intended to make Federal enforcement of pre-sale standards exclusive, it could have simply barred State standards altogether, rather than requiring that they be identical where they deal with the same aspect of performance.
>
> It is NHTSA's position, therefore, that where State standards are validly in effect, Federal law does not exclude or restrict their enforcement either in regard to new or used vehicles.

For the past 14 years the States have assumed an active role in the after-market, enforcing identical Federal motor vehicle safety standards which they have adopted as their own State laws. However, the section 103(d) preemption issue has again resurfaced as a result of a recent NHTSA interpretation that was issued by NHTSA Administrator Raymond A. Peck, Jr., on December 30, 1981, and appeared in the January 7, 1982 Federal Register.

This interpretation held in favor of Federal preemption of State level safety equipment and certification programs. This interpretation represents a radical departure from previous administrative interpretations of congressional intent. Furthermore, it is contrary to the spirit of the Motor Vehicle Safety act and the State and Federal partnership that was so highly heralded upon enactment of this legislation by Congress.

AAMVA finds an irony in the fact that at the very time the New Federalism is being so strongly advocated, the NHTSA administrator is simultaneously acting in a manner designed to remove a program from State responsibility and place it under the exclusive authority of the Federal Government.

It appears that Mr. Peck relies heavily on congressional intent, or what he perceives, that "the act and its history strongly and clearly imply that Congress intended" in contending that NHTSA should play an exclusive role in insuring compliance with Federal motor vehicle safety standards for items of equipment.

However, our association has thoroughly reviewed the same legislative history, the statutory language, the committee reports and the accounts of the debates, yet we have been unable to pinpoint any clear implication that Congress intended such a sweeping preemption as the recent NHTSA interpretation suggests.

Our association wishes to suggest that in 1966 the principal thrust of the legislative activity was directed toward the new vehicle as a whole, with no attention directed to aftermarket safety equipment. Therefore, AAMVA respectfully urges the subcommittee to clarify whatever ambiguity that may exist in the National Traffic and Motor Vehicle Safety Act as it relates to the question of preemption I have presented today.

Thank you, Mr. Chairman.

[The statement follows:]

STATEMENT OF FRANK A. MANSHEIM, JR., PRESIDENT, AMERICAN ASSOCIATION OF MOTOR VEHICLE ADMINISTRATORS

Mr. Chairman and distinguished members of the subcommittee: The American Association of Motor Vehicle Administrators (AAMVA) is pleased to be accorded the opportunity to comment at this oversight hearing on the National Traffic and Motor Vehicle Safety Act of 1966.

To put these comments into perspective, I should point out that the AAMVA is an association of state and provincial officials responsible for the administration and enforcement of motor vehicle and traffic laws in the United States and Canada, pertaining to the motor vehicle and its use.

I am Frank Mansheim, AAMVA President and Chairman of the Board. I also am Director of the Colorado Motor Vehicle Division—a position that I have held since 1978. Prior to that, I also served nearly 20 years as the Deputy Director of the agency. I am accompanied today by AAMVA Executive Director Don Bardell. He has been our Association's chief executive officer for six years, and before that, he served as Deputy Commissioner and General Counsel for the New York State Department of Motor Vehicles.

The AAMVA has long felt there is an urgent need to clarify an ambiguity that is prevalent in the National Traffic and Motor Vehicle Safety Act of 1966. We come before the subcommittee today seeking clarification of congressional intent on the role the states ought to play in enforcing standards that are identical to Federal Motor Vehicle Safety Standards, when the states have adopted such standards as their own laws. Formal comments of our Assocaition on this matter—including what we believe to be appropriate legislative changes—were presented in testimony to a 1980 joint hearing by the House Energy and Commerce Subcommittee on Consumer Protection and Finance and the Foreign Affairs Subcommittee on Inter-American Affairs, addressed to proposed vehicle theft prevention legislation that would have amended the Motor Vehicle Act. (A copy of this material is appended to this statement as Appendix A.)[1]

We believe the ambiguity stems from section 103(d) of the 1966 Act, which, in part, states:

"Whenever a Federal motor vehicle safety standard established under this title is in effect, no State or political sudivision of a State shall have any authority either to establish, or to continue in effect, which respect to any motor vehicle or item of motor vehicle equipment any safety standard applicable to the same aspect of performance of such vehicle or item of equipment which is not *identical* to the Federal standard. . . ." (AAMVA's emphasis added).

The AAMVA and its members readily acknowledge that the authors of the 1966 Act clearly intended that the sale of new motor vehicles should not be constrained

[1] Appendices A–F are in the committee files.

by 50 (or more) different standards. But what may be unclear in both the Act, and the accompanying legislative history, is whether the Congress intended to preempt the states from enforcement of after-market safety equipment which is sold in our states for use in/on cars which are operating on the public highways of our States; that is, cars which have passed the point of first sale.

The role of the States over the years, since the enactment of the Motor Vehicles Safety Act, has been one of enforcing State level safety standards, identical to Federal Motor Vehicle Safety Standards and adopted as their own State laws. Concurrence in this role has been reflected in two administrative interpretations—one formal and one informal—by individuals that were, at the time of their respective interpretations, heading the Federal safety agency.

The first director of the Federal safety agency, William Haddon, Jr., M.D., in a 1968 letter to Superintendent William F. Morris of the Illinois State Police, stated:

". . . It seems clear, from the way in which the [State/Federal] conflict problem is resolved, that the act imposes no restrictions on State standards that do not deal with the same aspect of performance, or with the same vehicle, as Federal standards currently in effect. It should be further noted that the above section [i.e., section 103(d)] deals only with what State standards may be in effect, and not the permissible extent of the methods of their enforcement. Had Congress intended to make Federal enforcement of presale standards exclusive, it could have simply barred State standards altogether, rather than requiring that they be 'identical' where they deal with the 'same aspect of performance'".

"It is our position, therefore, that where State standards are validly in effect, Federal law does not exclude or restrict their enforcement either in regard to new (presale) or used vehicles." (A copy of the text of Dr. Haddon's letter is attached as appendix B.)

Furthermore, I would like to add that I met with Dr. Haddon on December 15, 1981, in Denver, and he reiterated to me his position on preemption.

The subsequent National Highway Traffic Safety Administrator, Douglas W. Toms, in 1971, issued a formal interpretation in the Federal Register, in which he refined the Haddon position to say that States may enforce identical Federal Motor Vehicle Safety Standards, which they have adopted as their own, including requiring submission of items for State approval, so long as such procedures do not prohibit the sale of a manufacturer's equipment pending approval. A copy of the text of Mr. Toms' interpretation is attached as appendix C.

Therefore, despite the apparent ambiguity in section 103(d) of the act, the States have—since the implementation of the Motor Vehicle Safety Act—assumed an active role in enforcing identical Federal Motor Vehicle Safety Standards which they have adopted as their own. The two foregoing administrative interpretations from the NHTSA have, in addition to supporting this assumption, helped to provide workable guidelines for State participation in this area.

However, the ambiguity inherent in section 103(d) has once again resurfaced as a result of a recent NHTSA interpretation. This interpretation, which was issued by NHTSA Administrator Raymond A. Peck, Jr., on December 30, 1981, and which appeared in the January 7, 1982, edition of the Federal Register, held in favor of Federal preemption of State level safety equipment certification programs. A copy of this intepretation is attached as appendix D. The interpretation states in part:

"It is the opinion of the agency that the States are preempted from engaging in activities involving the presale enforcement of State standards which are identical to the FMVSS where such activities involve procedures or impose burdens which differ in any significant respect from those of the Federal regulatory scheme under the act."

This interpretation represents a radical departure from previous administrative interpretations of congressional intent. In addition, it is contrary to the spirit of the Motor Vehicle Safety Act and the State/Federal partnership that was so highly heralded upon enactment of this legislation by the Congress.

Moreover, our association finds a particular irony in the fact that, at the very time that new federalism is being so strongly advocated, the Administrator of the NHTSA is simultaneously acting in a manner designed to remove an important program from State responsibility and place it under the exclusive authority of the Federal Government. Attached to my statement as appendices E and F, respectively are a copy of a letter, from me, to Mr. Peck, dated January 14, 1982, and a copy of the January/February 1982 edition of our association's newsletter, the AAMVA Bulletin, which amplify our association's position on Mr. Peck's interpretation.

It appears that in his interpretation Mr. Peck relies heavily on congressional intent—or, more specifically, what he perceives that "the Act and its history strongly and clearly imply that Congress intended"—in contending that the NHTSA

should play an exclusive role in ensuring compliance of new motor vehicles and equipment with FMVSS. However, our Association has very thoroughly reviewed this same legislative history—its statutory language, its Committee Reports, and its accounts of the debate in both legislative chambers—yet we have been unable to pinpoint any clear implication that the Congress intended such a complete preemption as the January 7th NHTSA interpretation suggests.

The AAMVA recognizes that the intent of Congress, at the time the Motor Vehicle Safety Act was passed, was clearly to allow manufacturer self-certification in the highly visible area of the new motor vehicle. Our Association maintains that Congress also intended to preserve for the States the authority to enforce identical Federal Motor Vehicle Safety Standards, not only against used cars, as is clearly delineated in the legislative history, but also against motor vehicle components which are sold as replacement parts within the States. It is evident to us that any authority to enforce against used vehicles is meaningless without enforcement authority over replacement parts.

In closing, our Association wishes to suggest that in 1966 the principal thrust of the legislative activity was directed toward the new vehicle, as a whole, with no attention directed to after-market safety equipment. Therefore, the AAMVA respectfully urges the subcommittee to clarify whatever ambiguity that may exist in the National Traffic and Motor Vehicle Safety Act, as it relates to the question of preemption that I have presented to the subcommittee today.

Thank you.

Senator DANFORTH. Thank you, Mr. Eisenhart. I thank all of the witnesses.

I am somewhat apologetic for the fact that I was late getting here this morning and that I had the responsibility of introducing a former person in my office who is a presidential nominee to another committee, so I was late getting here and then we were interrupted by one vote and now we have the second rollcall vote over on the floor of the Senate this morning, which is unusual for the mornings.

Therefore, it has been a somewhat more hurried presentation, I am sure, on the part of all witnesses, than they would have preferred, but I appreciate the cooperation of all and your willingness to be here with us this morning.

That concludes the hearing.

[Whereupon, at 11:57 o'clock a.m., the subcommittee adjourned.]

ADDITIONAL ARTICLES, LETTERS, AND STATEMENTS

Statement of the National Association of Independent Insurers

The National Association of Independent Insurers (NAII), an insurance trade association of more than 500 property and casualty insurers which write nearly half of the nation's automobile insurance, is pleased to submit this statement concerning authorization and oversight of the National Highway Traffic Safety Administration.

NAII is very disturbed by the actions the NHTSA Administrator has taken this past fiscal year in his zeal to implement non-cost effective, life-threatening deregulation for the automobile industry. We, therefore, urge the Congress to carefully scrutinize these actions to assure that the will of Congress is being carried out in the area of highway safety.

When the Congress created the National Highway Traffic Safety Administration, it charged the agency with the duty to reduce deaths and injuries on our nation's highways. The Congress intended that NHTSA establish a federal regulatory program to assure the development and production of safer vehicles in order to meet that commitment.

Last year the current NHTSA Administrator gutted the centerpiece of that regulatory program when he rescinded the federal occupant crash protection passive restraint standard which had taken ten years of effort by the agency to develop. Because NAII believes the Administrator's order was not based on adequate evidence and was, therefore, arbitrary and capricious and involved an abuse of discretion, we filed a lawsuit with the U.S. Court of Appeals to have the decision reviewed. Our suit is pending and oral arguments were heard March 1, 1982.

We also believe the Administrator's action is contrary to the Administration's own regulatory reform program which is designed to change or eliminate only those federal regulations which are unnecessary or not cost effective. That effort is not intended to affect or interfere with regulations which are cost-beneficial and have the potential of saving thousands of lives annually. This action also is contrary to promises President Reagan made that his regulatory reform program would not necessarily endanger the lives and safety of our citizens.

Most alarming of all, however, is the fact that the Adminstrator's action may have doomed the introduction into the automobile fleet of life-saving technology which could save thousands of lives and prevent millions of injuries—the air bag.

In the place of the cost-beneficial passive restraint rule, the Administrator has proposed a seat belt public education campaign to encourage people to voluntarily buckle up their manual lap belts. No cost-benefit assessment was ever made of this program, yet eight million dollars of taxpayers funds are to be expended in this campaign. All indications are that this effort will fail just as similar programs in the past have failed.

The public's perception of a "safety" agency is that it is taking actions to save lives and reduce injuries. If that is not the case, as we have every reason to believe is true of NHTSA, it may very well be misleading for the agency to be known as a safety agency.

We urge this Committee and the Congress during its authorization and oversight deliberations on NHTSA to assure that the agency is funded to carry out the most cost-effective programs possible which further the primary mission of the agency—to save lives and reduce injuries on America's highways.

Statement of Dr. B. J. Campbell, Director, Highway Safety Research Center, and Dr. Patricia F. Waller, Associate Director for Driver Studies, University of North Carolina, Chapel Hill, N.C.

We are B. J. Campbell, Director of the University of North Carolina Highway Safety Research Center, and Patricia F. Waller, Associate Director for Driver Stud-

ies of the Center. Our Center was authorized by the North Carolina General Assembly in 1965, a full year before the Federal government passed major legislation in the highway safety area. Since that time our Center has established an international reputation for sound research and development in this field.

We are particularly concerned about what is happening at the Federal level in regard to highway safety. First, it is important to understand that motor vehicle injuries are a major national public health problem. They represent the second most costly health problem facing this country today! The costs associated with new cases of motor vehicle injuries in the United States each year are second only to the costs associated with new cases of cancer, and more than the costs for coronary heart disease or stroke. Even though heart disease and cancer kill more people, the fact that motor vehicle injuries strike the young makes them much more important than is generally recognized.

Motor vehicle injuries are the leading cause of death from about age 6 months to about 40 years. Children from age one through 14 are over 100 times more likely to die from motor vehicle injuries than from tuberculosis, diptheria, whooping cough, strep throat, scarlet fever, polio, measles, and typhus combined. Motor vehicle injuries are the leading cause of new cases of paraplegia and quadriplegia, conditions that require long-term commitment of expensive health care resources. They are also the leading cause of new cases of epilepsy, and they are by far the leading cause of death and injury in the peacetime military. Off-the-job motor vehicle injuries are the number one cause of lost days of work, and one-third of on-the-job casualties are motor vehicle related.

We recognize the significance of heart disease, cancer, poliomylitis, arthritis, and other major health problems, but we still fail to recognize the significance of motor vehicle injuries as a major health problem. Accordingly, our Government has failed to respond as in the case of other health conditions. Until the 1966 Highway Safety Act, there was practically no activity in the area of highway safety research. While there were a few pioneers there was not what could be called a significant pool of expertise in this area. The Federal program that began in 1966 has enabled the development of expertise in several places throughout the country, and it can be demonstrated that some very significant gains have been made as a result.

Within NHTSA there have been two major sources of funding for highway safety research and programs. The 402 funds provide grants to the states and have been used to address highway safety areas defined by NHTSA. The 403 program has funded research, development, and demonstration projects that result in programs and materials that can be adapted by the states.

In North Carolina as well as in some other states the 402 program has worked quite effectively and has been a major reason for marked reductions in traffic death experience. Between 1966 and 1981 North Carolina led the nation in traffic death reduction—the period of time in which there has been a major Federal program in this area. Our traffic death rate dropped from 7.5 to 3.6 motor vehicle deaths per hundred million vehicles miles traveled. This drop represents a 52 percent decrease, the highest in the nation for that period of time.

We would like to give you some brief examples of how the 402 dollars have helped our state bring about this decrease. North Carolina, like every state, spends huge sums of money on highway safety-related programs. Unfortunately, these monies are usually spent in the absence of knowing whether the programs work, how well they work, or whether with some changes they might work better. In North Carolina much of our Center's 402 effort has focused on evaluation of state programs to determine their effectiveness and on the implementation of innovative programs targeted at high priority areas. The evaluation approach has been especially useful when the state has considered implementing new programs, which, in the past, would have been based solely on the "best judgment" of experts in the field. One example was a special driver education training program to teach emergency skills to young drivers. The approach was tried first on a trial basis in selected counties and carefully evaluated. Because the evaluation failed to show significant differences as a result of training, the program was not implemented statewide. What appeared to be a good idea did not pay off, but it is important to recognize that because it was tried first on a trial basis and evaluated, the state saved the money that would have been expended had the program simply been implemented statewide because it seemed like a good thing to do. Yet very few highway safety programs in operation today have ever been subjected to careful evaluation. All too often programs are implemented full scale without ever knowing whether they are worthwhile.

On a more positive note, as a second example of how 402 evaluation has helped save money, when our state implemented legislation requiring motorcyclists to burn

headlamps and taillamps during daylight operation, our evalution showed marked benefits. In the first five years of the program the daytime multivehicle crashes that were avoided saved approximately 14½ million dollars in avoided deaths and injuries. This evaluation has been used not only in other states but also in countries throughout the world. We believe that this evaluation has allowed us to keep our lights-on law in the face of strong efforts to repeal any such measures relating to motorcycles.

We agree with some critics that there is not enough hard-nosed evaluation of highway safety programs. However, if the states were encouraged more by NHTSA to conduct such evaluation and assisted in the process, and if appropriate and adequate funding were available, then such activities could be implemented in many other places.

We are not in agreement with the current policy of NHTSA to restrict state activities under the 402 program to those areas designated as high priority by the agency. Our understanding of the proposed policy is that 402 monies could be used in those areas designated as high priority but used in other highway safety areas would require special justification.

First of all, we take issue with the proposition that the high priority areas are those in which programs have in the past been shown to be most effective. On the basis of available evidence, including that of NHTSA, it would be difficult to include alcohol programs among those that have been shown to be most effective. We share NHTSA's concern about alcohol and driving, and we do not quarrel with 402 funds supporting activities in this area. However, we feel that other areas are equally important in terms of the size and importance of the problem even though, like alcohol, the programs thus far have not been shown to be particularly effective.

Second, we strongly feel that the states should be allowed to use 402 funds in any of the 18 program areas previously identified by the agency. These include such important areas as pedestrian safety since almost one-fifth of trafic fatalities are pedestrians; driver education, since whenever a person learns to drive he must go through the learning curve and make more errors at the beginning than later; driver licensing which is the only state program that has the potential to reach all licensed drivers on a routine basis and which offers special promise in the area of qualifying drivers of heavy trucks and motorcycle riders; heavy truck safety since heavy trucks are increasingly over-involved in fatal crashes on a mileage basis with most fatalities occurring to occupants of the other vehicle. These are just a few examples of important issues that cannot be readily addressed with 402 funds under present and proposed policy.

Even though proposed policy includes special provisions for obtaining permission to use 402 funds in some of these other areas, in actual practice it will be difficult in many states to obtain support should the present regulations obtain. Unfortunately many persons administering the 402 program at the state and regional levels are likely to be unwilling to take a chance on a project that needs special justification. As a result important activities that lie outside the priority areas will not be given serious consideration.

We should also like to comment on the overall philosophy of the 402 program. It has been pointed out that 402 moneys represent only a very small part of the total state funding for highway safety programs. Some have interpreted this relationship to mean that it would not matter if 402 funds were eliminated. However, 402 funds have been virtually the only flexible money available in most states, and as such they have provided opportunity for innovative approaches to highway safety. We do not believe that these funds should be limited only to those programs that have been shown to be effective, since such a restriction would almost gurantee that there would be no progress. Rather, 402 funds are most effective when they are available to try out and evaluate new programs and thus advance the state-of-the-art. It is just as important to know that a program does not work as that it does, and 402-funded evaluations that fail to show effectiveness should be considered just as valuable as those showing positive results.

The 403 program supports research, demonstration, and development activities. Unlike research funding for other major health problems, in highway safety the assumption is that all good ideas originate in Washington, DC. Not all experts would agree with this appraisal. Many of us feel that the limited funds available would be much better spent if a model were followed that more closely approximated that of the National Institutes of Health. Unsolicited proposals could be encourage and give serious consideration. Furthermore, they should be reviewed by expert panels that are drawn from the field rather than having review limited to in-house personnel at NHTSA that may or may not have adequate credentials to do justice to the proposals. Review panels can be assembled through the Transportation Research Board of

the National Academy of Sciences and can be put together for specific topics as required by the proposals submitted. The panels can also provide periodic review of the projects. Such panels serve at minimal or no remuneration with the exception of expenses. At the present time the Transportation Research Board provides this type of service to the Federal Highway Administration through what is called the National Cooperative Highway Research Program (NCHRP). The proposed approach would result in more innovative research projects as well as more expert evaluation of proposals. Furthermore these improvements could be achieved with no additional cost since in-house personnel will no longer be required to spend so much time on proposal evaluation and project review.

We are clearly in the midst of government cost cutting. However, when funds become scarce it becomes more important than ever to be sure that what is supported is worthwhile. We cannot afford to spend limited dollars on useless highway safety programs. At the same time, failure to develop and implement effective programs will result in a continued drain on our overall economy.

At the present time our federal budget is inflated because of motor vehicle injuries. Almost half of social security recipients are persons other than retired workers. Many of these are persons receiving disability benefits because of motor vehicle injuries. Others are survivors or dependents of victims of motor vehicle injuries, and of course Medicare costs are increased because of this health problem. Likewise, costs for Medicaid and the federal contribution to welfare payments and rehabilitation are inflated as a result of motor vehicle injuries. The Defense Department spends untold sums as a result of motor vehicle injuries, including disability benefits, survivor benefits, health care benefits and life insurance costs, as well as replacement costs that include recruiting and training. Likewise, the Veterans Administration program increases its expenses as a result of motor vehicle injuries. Finally, the Federal government incurs costs in its role as an employer. Besides contributing to lost days of work, motor vehicle injuries contribute to costs for disability benefits, survivor benefits, and health benefits including health insurance. Efforts are being made to quantify these various cost categories but enough is known to realize the figures are enormous.

We are aware that there has been some criticism of NHTSA, and we have often been among the ranks of the critics. We will undoubtedly continue to play this role. At the same time, it is necessary to understand that until the Federal government became involved in this area there was very little progress being made. Since that time the progress has been astounding. If we were still experiencing the mileage death rate we experienced in 1966, instead of 52,000 deaths a year we would have over 85,000, more than a 60 percent increase! This progress is especially impressive when it is recognized that in 1966 there were very few persons who were qualified in this field and that the funding available can only be described as minuscule in relation to that for other major health problems.

Yet it is also important to see that the progress that has been made is seriously threatened. The motor vehicle death rate dropped steadily from 1966 until 1976 but is has since shown an increase. A major reason for this increase is the change in the kinds of vehicles we are driving. Each year a major proportion of the passenger car fleet falls into the compact or subcompact categories while trucks are becoming larger and carrying heavier weights. At the same time two-wheeled vehicles are on the increase. All these vehicles do not mix well with each other. Furthermore, they pose serious problems in regard to roadside design and particularly roadside appurtenances. The problems are costing our society more each year.

These changes are occurring everywhere. They do not end or change greatly at state lines, nor are they restricted to any special category of the population. They are national problems that affect every American citizen. There is no question that the program at NHTSA, like all other Federal programs, could be improved, and we have outlined some of our suggestions to bring about improvement. At the same time it must be recognized that it has been the Federal presence in this field under the direction of NHTSA that has brought about important countermeasures to stem the rising deaths and injuries on our highways. Much remains to be done, and it is the responsibility of the Federal government to provide leadership and support for a comprehensive highway safety program. Failure to do so will be reflected in larger costs to the Federal government, the state governments, the private sector, and finally the individual citizen. The costs will include both lives and dollars.

LEAGUE OF AMERICAN WHEELMEN,
Washington, D.C., April 6, 1982.

Hon. JOHN C. DANFORTH,
Chairman, Subcommittee on Surface Transportation, U.S. Senate Committee on Commerce, Science, and Transportation, Washington, D.C.

DEAR SENATOR DANFORTH: The following comments are submitted for the record of your Subcommittee's hearing on March 31 on oversight of the National Highway Traffic Safety Administration. I regret that time did not permit any questions or discussions following the testimony of Mr. William Wilkinson of the Bicycle Manufacturers Association, whose statement we concur in.

My comments are from the perspective of one who speaks for the national organization of bicyclists, but who has also been actively involved in pedestrian safety for a number of years. In my observation, bicycle and pedestrian safety projects all over the United States are being abandoned or curtailed by a NHTSA policy that contravenes a clear Congressional mandate. This state of affairs is especially ironic with regard to bicycle safety, as projects to implement the findings of recently completed NHTSA-sponsored research are being dropped to comply with a new but Congressionally unauthorized NHTSA policy.

I have just returned from a field trip to three midwestern states. In one, the highway safety staff had been told by the NHTSA regional office: "Don't waste your time applying for funds for bicycle safety." In another, the bicycle safety coordinator, a nationally recognized expert in the field, has been shifted to other duties because the money for bicycle safety was cut off. This situation is not the exception; it is unfortunately the norm.

The action by NHTSA to drop bicyle and pedestrian safety as an area for priority attention under Section 402 is particularly troublesome because, although the selection of priority areas is claimed to be based on cost-effectiveness, all available evidence shows that this area is highly cost-effective. The agency's own studies document it. The comments by state highway safety agencies to the NHTSA docket affirm it. And no contrary evidence has been introduced by NHTSA.

In the absence of any such evidence, NHTSA's action defies the clear Congressional intent, and represents an arbitrary withdrawal of the "safety net" from the two most vulnerable groups of highway users. Between them the pedestrians and the bicyclists suffer 9,000 traffic fatalities per year, some 18 percent of all highway deaths. NHTSA must not be permitted to shrug off its continuing responsibility for reducing the hazard to these two groups.

Last year this Subcommittee acted to restore pedestrian and bicycle safety to the 402 program. NHTSA has chosen to disregard the intent of the Subcommittee and the full Committee. We think that Congress should reaffirm the policy of a "safety net" for the two most vulunerable groups of highway users by identifying pedestrian and bicyle safety as a priority area. Moreover, Congress will need to exercise close and continuing oversight to insure that its policy is not again ignored by administrative fiat.

I ask that our statement to the NHTSA docket, and the entire table showing bicycle and pedestrian safety measures to rank third and eighth out of a total of 37 measures evaluated for cost-effectiveness, be made a part of the hearing record.

We appreciate your continuing interest and support, and look forward to working with your Subcommittee toward improved safety for all classes of highway users.

With all good wishes,

RALPH B. HIRSCH,
National Legislative Director.

NHTSA Docket 81-12, Notice 2
Docket Section, Nassif Building,
Washington, D.C.

This letter responds to your request for comment on the "Determination of effectiveness of Highway Safety Programs" published in the Federal Register on 4 February 1982. As the national organization of bicyclists we have two comments on the issues posed in your notice.

(1) Most effective program areas, NHTSA: We are surprised and disappointed at NHTSA's failure to include pedestrian and bicyclist safety among the program areas listed as "most effective." We urge that pedestrian and bicycle safety be added as a sixth priority area, for the following reasons:

(a) As NHTSA admitted, the comments in this docket addressed to multiple issues (in response to the Advance Notice of Proposed Rulemaking) ranked pedestrian/bicyclist safety among the six most effective program areas;

(b) In their comments, the State Highway Safety Offices included pedestrian/bicyclist safety on the same level of concern to them as emergency medical services, occupant protection, and traffic records;

(c) The Department of Transportation's own analysis of highway safety countermeasures suggests that bicyclist and pedestrian safety programs are among the most cost-effective ways of reducing highway fatalities (see attachment).

Pedestrians and bicyclists, the two most vulnerable groups of road users, together represent roughly 9,000 traffic fatalities per year, some 18 percent of highway deaths. In view of this large death toll, and of the clear consensus that pedestrian and bicyclist programs are indeed cost-effective, we believe that continued failure to include them as a priority area for Section 402 funding would be an evasion of federal responsibility for a major safety problem.

(2) Proposed funding mechanisms: The two-tiered approach described under "Alternative Two" seems to us to be preferable, as it gives the states the flexibility needed to deal with widely varying conditions among the states.

RALPH B. HIRSCH,
National Legislative Director.

TABLE III—RANKING OF COUNTERMEASURES BY DECREASING COST-EFFECTIVENESS IN PRESENT VALUE DOLLARS PER TOTAL FATALITIES FORESTALLED—10-YR TOTALS [1]

Countermeasure	Fatalities forestalled (A)	Cost (millions) (B)	Dollars per fatality forestalled (C)
Mandatory safety belt usage	89,000	$45.0	$506
Highway construction and maintenance practices	459	9.2	20,000
Upgrade bicycle and pedestrian safety curriculum offerings	649	13.2	20,400
Nationwide 55-miles-per-hour speed limit	31,900	676.0	21,200
Driver improvement schools	2,470	53.0	21,400
Regulatory and warning signs	3,670	125.0	34,060
Guardrail	3,160	108.0	34,100
Pedestrian safety information and education	490	18.0	36,800
Skid resistance	3,740	158.0	42,200
Bridge rails and parapets	1,520	69.8	46,000
Wrong-way entry avoidance techniques	779	38.5	49,400
Driver improvement schools for young offenders	692	36.3	52,500
Motorcycle rider safety helmets	1,150	61.2	53,300
Motorcycle lights-on practice	65	5.2	80,600
Impact-aborbing roadside safety devices	6,780	735.0	108,000
Breakaway sign and lighting supports	3,250	379.0	116,000
Selective traffic enforcement	7,560	1,010.0	133,000
Combined alcohol safety action countermeasures	13,000	2,130.0	164,000
Citizen assistence of crash victims	3,750	784.0	209,000
Median barriers	529	121.0	228,000
Pedestrian and bicycle visibility enhancement	1,440	332.0	230,000
Tire and braking system safety critical inspection—selective	4,591	1,150.0	251,000
Warning letters to problem drivers	192	50.5	263,000
Clear roadside recovery area	533	151.0	284,000
Upgrade education and training for beginning drivers	3,050	1,170.0	385,000
Intersection sight distance	468	196.0	420,000
Combined emergency medical countermeasures	8,000	4,300.0	538,000
Upgrade traffic signals and systems	3,400	2,080.0	610,000
Roadway lighting	759	710.0	936,000
Traffic channelization	645	1,080.0	1,680,000
Periodic motor vehicle inspection—current practice	1,840	3,890.0	2,120,000
Pavement markings and delineators	237	639.0	2,700,000
Selective access control for safety	1,300	3,780.0	2,910,000
Bridge widening	1,330	4,600.0	3,460,000
Railroad-highway grade crossing protection (automatic gates excluded)	276	974.0	3,530,000
Paved of stabilized shoulders	927	5,380.0	5,800,000
Roadway alignment and gradient	590	4,530.0	7,680,000

[1] All figures have been rounded to three significant digits after internal computations were completed. All figures are subject to the caveats concerning precision of the data.

Source: Donald R. Trilling, "A cost-effectiveness evaluation of highway safety countermeasures", Traffic Quarterly, vol. 32, no. 1 (January 1978).

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